July 5, 2016

Mr. Dennis Dunlap Michigan Department of Environmental Quality Air Quality Division – Kalamazoo District Office 7953 Adobe Road Kalamazoo, MI 49009-5025

RE: Violation Notice Response Letter Axium Group, LLC

State Registration No. A0703,

Dear Mr. Dunlap:

The intent of this letter is to provide you with a written explanation regarding the actions taken by Axium Group, LLC (Axium) in accordance with the Violation Notice dated June 17, 2016. This information is intended to address the discrepancies identified in the May 24, 2016 inspection by the Michigan Department of Environmental Quality (MDEQ) with respect to Axium's compliance monitoring and record keeping at its facility located in Cassopolis, Michigan. This letter is also intended to serve as a response to your email request of June 30, 2016, for additional clarification.

The Violation Notice states that the company failed to comply with the following Special Conditions of Permit-to-Install No. 14-12B:

1. EUFLATLINE – Special Conditions VI.3. a., c. and d. keep the following information on a monthly basis for EUFLATLINE1.

Provided is a copy of the material usage records and EUFLATLINE1 summary tables detailing the VOC, acetone, and T-butyl acetate mass emissions calculations demonstrating the twelve month rolling emission rate of each component in tons. This data also includes calculations demonstrating the annual emissions rate in pounds per 12-month rolling time period.

2. FGWOODCOATING - Special Conditions VI.3. a., c. and d. keep the following information on a monthly basis for FGWOODCOATING.

Provided is a copy of the material usage records and EUCOATINGLINE and EUREPAIRBOOTH summary tables detailing the VOC, and acetone mass emissions calculations demonstrating the twelve month rolling emission rate of each component in tons.

3. FGDIPTANKS – Special Conditions VI.3. a., c. and d. keep the following information on a monthly basis for FGDIPTANKS.

Provided is a copy of the material usage records and FGDIPTANKS summary table detailing the VOC mass emissions calculations demonstrating the twelve month rolling emission rate of VOCs. Coatings used in this process do not contain butyl cellosolve, n-butyl acetate, or xylene, therefore records of the usage of these materials in not applicable.

4. FGFACILITY – Special Conditions VI.2.e. and VI.3.e. keep the following information on a monthly basis for FGFACILITY.

Provided is a copy of the material usage records for FGFACILITY detailing the VOC mass emissions calculations demonstrating the twelve month rolling emission rate of VOCs. This data also includes calculations demonstrating the aggregate emission rate in tons per 12-month rolling time period.

5. 131-1135 E.S. Lacquer II White Satin:

E.S. Lacquer II White Satin was reduced prior to application with a VOC exempt solvent (acetone) to produce a compliant coating. This coating was used on a trial bases under research and development as part of a new product project. This project was discontinued at this facility. E.S. Lacquer II White Satin is no longer used at this facility.

6. VOC Content of Stains:

A current and complete listing of the chemical composition of all production coatings and solvents used at Axium is being maintained at the site. Copies of MSDS/SDS and usage summary reports will be available during inspections.

A number of the Special Conditions contained in Permit-to-Install (PTI) No. 14-12B require cumbersome and labor intensive record keeping. Each individual emission unit under this permit has allowable emission rates below major source thresholds. Record keeping of this complexity for non-major sources is not cost effective for this type of operation. We would like to request a meeting with your office to discuss available options for modification of this PTI prior to the transition to a Renewable Operating Permit. Please provide us with a list of dates and times available in the near future to schedule a meeting at your offices.

Michigan Department of Environmental Quality Violation Notice Response Axium Group, LLC SRN A0703

It is our hope that this response is deemed adequate to address the deficiencies listed in your June 17, 2016 Violation Notice. Please feel free to contact me with any additional questions pertaining to this response letter.

Sincerely,

Jeff Schwartz/ Member Manager Axium Group, LLC

cc: Doug Elliott, D&B Environmental Services, Inc.