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**STATEMENT IN RESPONSE TO CPSC INVESTIGATION OF
GYPSUM DRYWALL MADE IN CHINA**

TO: Customers and associates of PABCO® Building Products, LLC

While problems associated with certain gypsum drywall manufactured in China have become a recent high-visibility issue, PABCO® wants to assure its customers and associates that all PABCO® gypsum wallboard is manufactured to the highest standards of the industry. Neither PABCO® nor any other Pacific Coast Building Products Family of Companies retail outlet (Pacific Supply, Diamond Pacific, or Weyrick Pacific) has imported or sold any gypsum drywall made in China or from raw materials imported from China.

In this regard, on May 25, 2010, the U.S. Consumer Product Safety Commission (CPSC) released the results of its multi-year \$5 million study of gypsum drywall which was an attempt to determine the cause of a host of problems in residential homes including corrosion to plumbing and electrical fixtures. The CPSC concluded that certain gypsum drywall emits or releases high levels of hydrogen sulfide, which is believed to cause such problems.

Hydrogen sulfide is a reactive sulfur gas that is acidic and odiferous (smells like rotten eggs). CPSC reported that all of the gypsum drywall emitting or releasing high levels of hydrogen sulfide was manufactured in China, and that the levels of hydrogen sulfide produced by such drywall was "100 times greater than non-Chinese drywall samples." The CPSC study further confirms that domestically produced gypsum drywall is not associated with reactive sulfur gas emissions problems.

Gypsum wallboard manufactured by PABCO® Building Products, LLC ("PABCO®"), like other foreign and domestic manufactured drywall, was tested by CPSC. The results indicate that it did not emit any hydrogen sulfide and that it is among the U.S. manufacturers whose other reactive sulfur gas emissions, while detectable, are extremely low compared to the Chinese products examined. The presence of detectable, but not harmful amounts of sulfur compounds is consistent with the fact that the principal component of drywall is gypsum, or calcium sulfate, in which the sulfur is bound up and unreactive. Testing has shown that PABCO® gypsum wallboard contains no free elemental sulfur that can form reactive gases. It is a fact that PABCO® has no history of the problems that CPSC investigated, which occurred at the same time as the arrival of Chinese wallboard into this country.

As stated above, all PABCO® gypsum wallboard is manufactured to the highest standards of the industry. Neither PABCO® nor any other Pacific Coast Building Products Family of Companies retail outlet (Pacific Supply, Diamond Pacific, or Weyrick Pacific) has imported or sold any gypsum drywall made in China or from raw materials imported from China.

If you have any questions or need any further information about this issue or PABCO® wallboard, contact me at or Michael Willoughby at 702-643-1016.

Sincerely,

A handwritten signature in black ink, appearing to read "Ryan Lucchetti".

Ryan Lucchetti
President