

FACILITY PERMIT TO OPERATE

**VERTIS, INC
7190 JURUPA AVE
RIVERSIDE, CA 92504**

NOTICE

IN ACCORDANCE WITH RULE 206, THIS PERMIT TO OPERATE OR A COPY THEREOF MUST BE KEPT AT THE LOCATION FOR WHICH IT IS ISSUED.

THIS PERMIT DOES NOT AUTHORIZE THE EMISSION OF AIR CONTAMINANTS IN EXCESS OF THOSE ALLOWED BY DIVISION 26 OF THE HEALTH AND SAFETY CODE OF THE STATE OF CALIFORNIA OR THE RULES OF THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT. THIS PERMIT SHALL NOT BE CONSTRUED AS PERMISSION TO VIOLATE EXISTING LAWS, ORDINANCES, REGULATIONS OR STATUTES OF ANY OTHER FEDERAL, STATE OR LOCAL GOVERNMENTAL AGENCIES.

Barry R. Wallerstein, D. Env.
EXECUTIVE OFFICER

By _____
Mohsen Nazemi, P.E.
Deputy Executive Officer
Engineering & Compliance

FACILITY PERMIT TO OPERATE VERTIS, INC

TABLE OF CONTENTS

Section	Description	Revision #	Date Issued
A	Facility Information	5	07/06/2010
B	RECLAIM Annual Emission Allocation	19	06/15/2011
C	Facility Plot Plan	TO BE DEVELOPED	
D	Facility Description and Equipment Specific Conditions	10	10/19/2010
E	Administrative Conditions	4	07/06/2010
F	RECLAIM Monitoring and Source Testing Requirements	3	07/06/2010
G	Recordkeeping and Reporting Requirements for RECLAIM Sources	3	07/06/2010
H	Permit To Construct and Temporary Permit to Operate	10	10/19/2010
I	Compliance Plans & Schedules	3	07/06/2010
J	Air Toxics	2	07/06/2010
K	Title V Administration	2	07/06/2010
Appendix			
A	NOx and SOx Emitting Equipment Exempt From Written Permit Pursuant to Rule 219	3	07/06/2010
B	Rule Emission Limits	2	07/06/2010

FACILITY PERMIT TO OPERATE VERTIS, INC

SECTION B: RECLAIM ANNUAL EMISSION ALLOCATION

The annual allocation of NOx RECLAIM Trading Credits (RTCs) for this facility is calculated pursuant to Rule 2002. Total NOx emission shall not exceed such annual allocations unless the operator obtains RTCs corresponding to the facility's increased emissions in compliance with Rules 2005 and 2007.

The level of Starting Allocation plus Non-Tradable Credits used to determine compliance with Rule 2005(c)(4) and applicability of Rule 2005(e) - Trading Zone Restrictions is listed on the last page of this Section.

The following table lists the annual allocations that were issued to this facility and the amounts of RTCs held by this facility on the day of printing this Section.

RECLAIM POLLUTANT ANNUAL ALLOCATION (POUNDS)

Year Begin End (month/year)	Zone	NOx RTC Initially Allocated	NOx RTC ¹ Holding as of 06/15/2011 (pounds)	Non-Tradable ² Non-Usable RTCs (pounds)
7/2008 6/2009	Coastal	0	545	0
1/2009 12/2009	Coastal	0	11	0
7/2009 6/2010	Coastal	0	566	0
1/2009 12/2009	Inland	1475	0	80
1/2010 12/2010	Inland	1475	0	119
7/2010 6/2011	Inland	0	4000	0
1/2011 12/2011	Inland	1475	1143	159
1/2012 12/2012	Inland	1475	915	159
1/2013 12/2013	Inland	1475	1143	159
1/2014 12/2014	Inland	1475	1143	159
1/2015 12/2015	Inland	1475	1143	159
1/2016 12/2016	Inland	1475	1143	159
1/2017 12/2017	Inland	1475	1143	159
1/2018 12/2018	Inland	1475	1143	159
1/2019 12/2019	Inland	1475	1143	159
1/2020 12/2020	Inland	1475	1143	159
1/2021 12/2021	Inland	1475	1143	159

Footnotes:

1. This number may change due to pending trades, emissions reported under Quarterly Certification of Emissions Report (QCER) and Annual Permit Emission Program (APEP) Report required pursuant to Rule 2004, or deductions made pursuant to Rule 2010(b). The most recent total RTC information can be obtained from the District's RTC Listing.
2. The use of such credits is subject to restrictions set forth in paragraph (f)(1) of Rule 2002.

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The following table lists the annual allocations that were issued to this facility and the amounts of RTCs held by this facility on the day of printing this Section.

RECLAIM POLLUTANT ANNUAL ALLOCATION (POUNDS)

Year Begin End (month/year)	Zone	NOx RTC Initially Allocated	NOx RTC ¹	Non-Tradable ²
			Holding as of 06/15/2011 (pounds)	Non-Usable RTCs (pounds)
1/2022 12/2022	Inland	1475	1143	159
1/2023 12/2023	Inland	1475	1143	159
1/2024 12/2024	Inland	1475	1143	159
1/2025 12/2025	Inland	1475	1143	159
1/2026 12/2026	Inland	1475	1143	159

Footnotes:

1. This number may change due to pending trades, emissions reported under Quarterly Certification of Emissions Report (QCER) and Annual Permit Emission Program (APEP) Report required pursuant to Rule 2004, or deductions made pursuant to Rule 2010(b). The most recent total RTC information can be obtained from the District's RTC Listing.
2. The use of such credits is subject to restrictions set forth in paragraph (f)(1) of Rule 2002.

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The annual allocation of RECLAIM Trading Credits (RTCs) for this facility is calculated pursuant to Rule 2002. If the facility submits a permit application to increase in an annual allocation to a level greater than the facility's starting Allocation plus Non-Tradable credits as listed below, the application will be evaluated for compliance with Rule 2005 (c)(4). Rule 2005 (e) - Trading Zone Restrictions applies if an annual allocation is increased to a level greater than the facility's Starting Allocation plus Non-Tradable Credits:

Year		Zone	NOx RTC	Non-Tradable
Begin	End		Starting Allocation	Credits(NTC)
(month/year)			(pounds)	(pounds)
1/1994	12/1994	Inland	7800	2496