



June 2, 2023

Attn: Cameron Harding, Community Services Director
Redondo Beach Community
Services Department
1922 Artesia Boulevard
Redondo Beach, CA 90278

Dear Mr. Harding,

As you are aware by now, on May 25, 2023, the Los Angeles Regional Water Quality Control Board (LARWQCB) suddenly issued a Clean Water Act, NPDES General Permit requiring certain practices by the sponsors and fireworks contractors of water-based and water-proximate fireworks displays in Los Angeles and Ventura Counties.

We had hoped there might be a way to obtain the permit through our various sponsors, and many have worked hard to achieve that. Still, the permit requirements stand in the way of safety and present substantial risks to many.

After exhaustive consideration, we have determined that we cannot safely comply with the General Permit requirements without endangering our crews, emergency personnel, the public, and others involved in the event. For this reason, **Pyro Spectaculars, Inc., is formally notifying you, pursuant to the safety and Force Majeure provisions of the Production Agreement, that we will not proceed with your event because of the government action by the LARWQCB.**

We encourage you to mitigate any losses as much as possible. Mitigation might include promptly canceling barges, tugs, and other services you have engaged for the event. We have no insight into whether other fireworks companies might be available to you or whether such alternatives are advisable under these circumstances.

Considering that these requirements have arisen in response to a federal district court decision, we expect that interested parties will closely scrutinize all aspects of the operations for any deviation from the exact demands of the permit. That presents the risk that even well-intentioned action might be subject to administrative or legal action, and the cost of such actions can be exorbitant.

Since we have not received your first installment, we will do our best to terminate the barge and obtain a refund of the money we have paid. If we are unsuccessful, we will advise you and invoice you for the unreturned payment.

We sincerely apologize for having to take this action and hope you understand that we will not compromise safety or risk the well-being of the public, the people involved with protecting the public, and our respective organizations.

Perhaps by next year, there will be greater clarity for all involved, and we welcome the chance to work with you again. We do not see a path forward in the brief time before the holiday.

Our sincere best wishes,

PYRO SPECTACULARS, INC.

A handwritten signature in black ink, appearing to read "Gary E. Brown".

GARY E. BROWN
GENERAL COUNSEL

PYRO SPECTACULARS, INC.

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