

To: Cinch Customers

Re: Registration, Evaluation and Authorization of Chemicals Regulation (REACH)

The Registration, Evaluation and Authorization of Chemicals Regulation (“REACH”) became effective as of June 1, 2007. The European Union (“EU”) enacted REACH in order to ensure that substances that are either manufactured within or imported into the EU have been properly evaluated, registered and the method of safe use is effectively communicated to the end-user. The European Chemicals Agency (“ECHA”) was established as the agency to administer and enforce the new regulations.

REACH applies to all substances (“chemical elements and their compounds in the natural state”) that are manufactured or imported into the EU. These substances may be in either their natural state or as part of an article or product (e.g. connectors, cables, etc.). Compliance with REACH is depended upon whether a company either exports articles into the EU or maintains operations in the EU. As Cinch Connectors does not maintain an operation in the EU it is obligated to comply only with the provisions dealing with exporting articles into the EU.

For products that are exported into the EU, the following are the three primary criteria that determine whether or not registration, notification to the ECHA or Substances of Very High Concern (“SVHC”) communication to customers is required:

1. The subject substance must be intentionally released under normal conditions of use. Further, the substance being released must be present in those articles in quantities in excess of 1 metric ton per year per producer/importer. To the best of our knowledge and belief, Cinch Connectors does not produce any articles that fall under this criterion and therefor is not required to register any of its products with the ECHA.
2. Any company that either exports into or manufactures products in the EU whose products meet certain conditions must notify the ECHA of such. The timeline for notification to the ECHA begins June 1, 2011. At this time, Cinch Connectors does not anticipate that any of its products will meet the conditions requiring such notification. Of course, we will continue to assess our products with respect to this requirement and act accordingly.
3. To date, the ECHA has proposed substances to be included as SVHCs. Article 33(1) of the REACH Regulations states that manufacturers and importers of articles (products) are required to notify their customers of the presence of any SVHCs that are in their products which exceed 0.1% by weight. It should be noted that the presence of an SVHC in a product only requires the need to communicate the presence of such SVHCs in the product to customers or consumers. It does not, however, impact a company’s ability to sell such product into the EU.

Cinch Connectors will notify its relevant customers upon discovery that any of our Cinch products to be exported into the EU contain an SVHC above the defined concentration values.

Cinch Connectors is committed to compliance with government regulations and industry standards for the protection of the environment as well as continually striving to meet the needs of our customers. We thank you for your continued interest in Cinch Connectors, Inc. and look forward to expanding our business relationships.