

Falco Electronics Supplier Survey of Hazardous Substances

December 21, 2005

Dear Supplier,

At present time Electronic Market is demanding more competitive and quality products, the safety requirements have been imposed to ensure more reliable products as well; therefore we would like to advise Falco Electronics suppliers the requirements for compliance with the Directive 2002/95/EC (RoHS - Restriction of Hazardous Substances) & 2002/96/EC (WEEE - Waste Of Electrical & Electronic Equipment).

As you might know, RoHS Directive restricts the use of six substances: Lead, Mercury, Cadmium, Hexavalent Chromium, PBBs & PBDEs, these substances are banned to be used in electrical & electronic products sold in European Union starting from July 1st, 2006. In addition, other regulation bodies like WEEE, JIG (Joint Industry Guide) and other have established restrictions on other substances used in electrical & electronic assemblies. Therefore, FALCO has developed a "Supplier Survey Of Hazardous substances" (FSSHS, Rev. A1) to understand how you are managing environmental legal compliance and the hazardous substances that are contained in the material that you supply to us.

In order to address this requirement effectively, you are hereby required to fill in the FSSHS survey and to provide Falco with Test Laboratory report (SGS, Intertek, IPC, or any other certified laboratory) to certify that you comply with RoHS Directive & Falco survey FSSHS for each Homogeneous material that you provide to our company.

Homogeneous Material: a material, as defined by the European Union Technical Adaptation Committee that can not be mechanically disjointed into different material, homogeneous material are materials " of uniform composition throughout" as for examples, ceramics, glass, metals, alloys, paper, boards, resins, coatings. The term "mechanical disjointed" would mean "that the material can be, in principle, separated by mechanical actions such as for example: unscrewing, cutting, crushing, grinding and abrasive process.

Falco's progress regarding this topic is very important and it is based on which our suppliers provide to us with this information. Supplier is responsible to notify Falco if any substance described on RoHS and FSSHS documents is free or out of limits specified.

Falco expects to keep long term business relationship with suppliers whom are able to provide with compliant materials.

By this fact, Falco reserves the right to remove any vendor whom do not provide Falco with test laboratory report & FSSH documents within a lapse of maximum 30 days right after this requirement has been received at your side. This requirement also applies to those items that do not comply with maximum limits specified on documents required.

Thank you in advance for your response.

Sincerely yours,
Alejandro Palma
Product/Quality Assurance Manager
FALCO ELECTRONICS

Acknowledged and agreed to by (fill in by Supplier Authority Person)

Name, Title & Sign

Date