



July 1, 2006

Nu-Way's Position Statement Regarding RoHS/WEEE Compliance

Nu-Way supplies contract manufactured products to a diversified customer base. The parts that we manufacture are designed by our Customers. When a Quote is submitted and a Purchase Order from a Customer accepted, we commit to supplying a product that meets the requirements of our Customer's submitted documents using materials and finishes per their print specifications.

Some of our Customers evaluated their products for RoHS compliance and worked with us to document necessary changes to ensure conformity. These joint activities required extensive time and resources. Because thousands of custom designed parts are manufactured at Nu-Way, devoting resources to review each finished part for compliance with the RoHS Directive or other regulatory requirements is not a practical option on our own without adequate engineering support from our Customer.

In addition, we do not have the freedom to arbitrarily make changes to our Customer's specified base metals or finishes without their clear directive. Proposed changes must be evaluated and approved by our Customer because these changes could jeopardize the integrity of their design. Without proper documentation from our Customer, a decision by Nu-Way to change a design also means that contractually we fail to comply with our Customer's print specifications.

As well as the base metals and finishes, some of the assemblies we manufacture include custom components from Customer specified sources. Again, the responsibility for the compliance of these custom components resides with our Customers. Whenever we have the freedom to select generic components in the finished product (for example when choosing screws, nuts, washers, rivets or similar items) we use components that are RoHS compliant.

Many of our Customers have not reviewed their product designs for RoHS compliance. Instead, they simply add a statement to their Purchase Order that requires "Parts Must Be RoHS Compliant." If we owned or controlled the design rights to our Customer's parts, Nu-Way could provide a clear response regarding whether all aspects of a supplied product was compliant or not. Under most circumstances, we cannot.

A Purchase Order statement that "Parts Must be RoHS Compliant" ***cannot be processed if*** it is submitted without any engineering support from our Customer that provides the documented changes needed to meet their request for RoHS compliance. These purchase orders are acceptable only when our Customer provides us with documentation that their product when made to their specifications is RoHS compliant. Otherwise, acceptance is with this understanding, "RoHS Compliance is per Nu-Way's Position Statement dated July 1, 2006."

When our Customer has not reviewed their designs to ensure that our adherence to their specifications results in a RoHS compliant product, our position statement regarding RoHS compliance is as follows:

"RoHS Compliance Statement - The manufacturing processes performed at Nu-Way including our powder coat finishing, DID NOT ADD any mercury, lead, hexavalent chromium, polybrominated biphenyls, or polybrominated diphenyl ethers to the base materials required to manufacture these parts. Materials used by our finishers which previously contained hexavalent chromium were replaced with materials that contain trivalent chromium, a RoHS compliant product." Effective date July 1, 2006

We thank you for your understanding regarding our position on this initiative and commit to working with our Customers as these opportunities arise.

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Design Engineering, Prototypes, Tooling, Metal Fabrication, Stamping, Laser Cutting, Laser Welding, Welding, Machining, Spot Welding, Electrical and Mechanical Assembly, Silk Screening, and Powder Coat Finishing