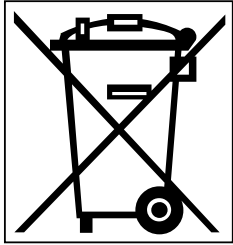


RoHS - A GUIDE TO LEGISLATION and CONFORMITY

REGULATORY FRAMEWORK IN THE EUROPEAN UNION



On 27 January 2003 the European Parliament and the European Council approved Directive 2002/95/EC restricting the use of specific hazardous substances in the construction of electrical and electronic appliances. In compliance with the provisions of the new directive, denoted with the acronym RoHS (restriction of hazardous substances) manufacturers are required to limit the use of six hazardous substances to within the established levels by 1 July 2006. The six substances in question are: Lead (Pb), Hexavalent Chromium (Cr6+) , Mercury (Hg), Polybrominated Biphenyl (PBB), Cadmium (Cd), and Polybrominated Diphenyl Ether (PBDE). Moreover, also the following directive was approved on the same date: 2002/96/EC, or WEEE (waste electrical and electronic equipment), which promotes and establishes specific criteria with regard to the collection, handling and recycling of electrical and

electronic waste materials. The directive prescribes specific requirements concerning the taken-back volumes of WEEE (which must be sorted from normal household waste); it obliges dealers and retailers to offer a free service for the take-back of WEEE; it calls for dismantling and recovery of WEEE; it obliges manufacturers to mark waste electrical and electronic equipment with the WEEE symbol (crossed-out wheeled bin). The provisions of the directive are implemented in Italy by decree Dlgs no. 151 of 25 July 2005.

REGULATORY FRAMEWORK IN THE US, JAPAN AND CHINA

USA

There are no single standards or federal laws in the US that can be compared to the RoHS or WEEE directives. There is however an obligation to provide a declaration in relation to lead emissions.

On 17 January 2001 the threshold values above which said declaration becomes mandatory were lowered. Entities that process or use more than 100 lbs of lead / year are required to declare said emissions to the Toxic Release Inventory. "More than 30 confederated states have however issued laws for the scrapping of electronic products, concerning the collection and recycling of the same. Some states also prohibit the use of substances such as lead and mercury." (Source: IEEE today's engineer, May 2003).

JAPAN

There are no laws or provisions in force in Japan that expressly prohibit the use of lead or connections containing lead in electronic products.

However, in 1998 a Lead-Free Soldering Roadmap was published by the "Japan Electronic Industry Association" (JEIDA) and the "Japan Institute for Electronic Packaging" (JIEP). The Roadmap, and the voluntary undertaking made by leading Japanese manufacturers of electronic equipment have become a standard for the introduction of lead-free connection techniques.

*(Source: IZM AK Lead-free soldering, 05.11.2003). Lead-free construction elements were made available in accordance with the JAITA Roadmap at the end of 2004. Conversion to lead-free connection techniques in old and new products is planned for 2005. In the field of scrapping of used equipment, Japan supports recycling techniques. Active substances must be removed and reused, or used in a thermal cycle. Also protection of resources is promoted together with a conception of product design aimed at assuring an increased working lifetime. The collection of used equipment is executed by the return of equipment to stores and distributors who in turn return the products to the manufacturer or importer, these latter parties being responsible for recycling.

CHINA

"Policy on Technologies for the Prevention of Pollution Caused by Waste Electrical and Electronic Products (Draft for Comments), February 2004" is a draft law referred to the RoHS and WEEE European Directives. If this law is passed, as from 1 January 2006 specified hazardous substances will no longer be permitted in electronic appliances manufactured and marketed in China. The hazardous substances in question include mercury, lead, cadmium, hexavalent chromium, polybrominated biphenyl (PBB), and polybrominated diphenyl ether (PBDE). China therefore refers to the RoHS directive, although without allowing the numerous exceptions offered by the European legislation.

Alongside the limitations for the use of toxic and hazardous substances in products and in packaging, an important role is also played by the development of energy-saving, long life, and low environmental impact products. Also the introduction of clean production processes is promoted. In the field of development pride of place is awarded to modularity, environment-friendly design, and recyclability. Responsibility for collection and reuse of decommissioned products lies with the manufacturer and the importer.

OUR PRODUCTS AND THE RoHS (Restriction of Hazardous Substances) DIRECTIVE



The directive concerns all the machines we manufacture and sell in Europe, and the contents are applicable on a voluntary basis in all other parts of the world. This consideration also applies to all the brands represented by our company. For many years the company has been in agreement with and actively encouraged the diffusion of the principles set down in the directives, simultaneously safeguarding the reliability and trustworthiness of our products and enhancing food safety aspects. The R&D Department has been constantly selecting and approving materials with low contents of lead, mercury, hexavalent chromium, polybrominated biphenyl (PBB), and polybrominated diphenyl ether (PBDE) flame retardants. Our research efforts continue today, and we are committed, as a final objective, to the complete elimination of all hazardous substances, thereby exceeding the requirements of the directive.

OUR COMMITMENT TO GUARANTEEING THE CONFORMITY OF OUR PRODUCTS TO THE RoHS DIRECTIVE

Thanks to the adoption of a disciplinary approach, the company has reached several milestones and implements several key practices. Our RoHS/WEEE environmental policies have been defined.

The RoHS/WEEE Road Map is available for consultation on our website.

We have carried out specific product audits and research into subassemblies, components, and homogeneous substances in reference to their end use.

Specific audits are carried out on processes, traceability of subassemblies, components, and homogenous substances.

The Supply Chain has been defined (in practice, suppliers of materials that fail to comply with the requirements of the directive have been eliminated from the list of qualified suppliers)

Constant surveillance is carried out of suppliers with evaluation of their RoHS declarations.

Constant monitoring and identification of critical components, coding and traceability.

Review of policies also in consideration of exemptions and future updates of the directive.

Updating of all technical files with specific product FMEA procedures and inclusion of laboratory analyses when necessary.

An RoHS officer has been appointed (Quality Manager).

All our machines bear specific identification symbols.

* FINAL DECLARATION *

All our products have been adapted in accordance with the requirements of the RoHS directive, and as from 1 July 2006 they will comply with the limitations of the use of the six hazardous substances as specified by said directive and its subsequent amendments and additions.

Notwithstanding this initial achievement, we are committed to the ultimate objective of complete elimination of all hazardous substances within 2010, thereby exceeding the requirements of the directive.

In the spirit of the maximum collaboration, our company offers Customers and Partners full access to all our know-how in this area of activity to solve all their requirements in relation to RoHS compliance.

Any questions or requests can be sent either directly or via the company website: www.lerica.it

