

REACH COMPLIANCE POLICY EFFECTIVE 2/2/2016

On December 18, 2006, the EU established REGULATION (EC) No 1907/2006 OF THE EUREOPEAN PARLIAMENT AND OF THE COUNCIL of 18 December 2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH). It was a program to identify Substances of Very High Concern (SVHC) and regulate their use. EU States have been submitting chemicals they wish to have regulated. To date, 174 have been accepted as "Candidates".

(To qualify for the list of SVHCs, chemicals must have one of four characteristics:

- 1. Carcinogens, Mutagenic or Toxic to Reproduction (CMRs).
- 2. Persistent, Bio-accumulative and Toxic (PBTs).
- 3. Very Persistent and very Bio-accumulative and toxic (vPvBs).
- 4. Seriously and/or irreversibly damaging the environment or human health, as substances damaging the hormone system.

These items will not be allowed to be used, imported or sold in the EU after a date has been set, unless the company has received an authorization.)

POSITION: Specialty Tool & Bolt being a "downstream" distributor is not required to "Register" with echa. Also, the sum total of our products in exports to the EU by customers of ours, would fall far short in volume/weight of "registration requirements" that apply just to SVHCs. We are neither a manufacturer nor importer, functioning as a distributor of industrial fasteners, tools and shop supplies. We do not have a chemical laboratory nor do we employ a staff of chemists capable of actually testing product content nor could any fastener distributor with whom we are familiar. Our sources are master distributors and manufacturers who can provide us with assurances as to their products REACH compliance.

We therefore can certify delivered or shipped items as being free from any SVHC (or within certain minimum limits). This is because alloys comprising the fasteners we sell are just not made with "chemical" contents listed among the SVHCs we can identify. The one exception to that is Hexavalent Chromium (Chrome 6) which was originally a component of only Zinc Coating of alloy fasteners (stainless not being coated). Hex 6 became a violation of the EU restrictions according to RoHS regulation and was later also disallowed by REACH. We have been RoHS compliant since that regulation became effective specifying we accept for export only alloys coated with Zinc containing the acceptable *Trivalent* Chromium (Chrome 3). That makes these fasteners also REACH compliant. The manufacturing industry has largely been converting to RoHS compliance, so these fastener types are becoming mostly common. We can certify REACH and RoHS compliance on orders so specified in advance.

Most fasteners shipped consist predominately of stainless steel. The material content of the various stainless and other alloys in our inventory is defined by specific Consensus Standards as published by the International Fastener Institute. Chemicals in REACH are just not used to make these fasteners. This is also true for fasteners of other types, which might include an odd item that would have SVHC content but that would be lower than 0.1%.

A further caveat found in REACH would also apply to any coated fastener; it states: 1. these items are each considered "articles" and the finish is integral to the function of the item. 2. The items furnished are not intended to be released into the air, ground or water in the EU. The eventual oxidation of the items finish constitutes normal wear and tear of the items finish performing their intended function. According to REACH, normal wear and tear does not constitute "release" and registration would not be required.

Other line items we sell include adhesives, threadlockers and other industrial tools and supplies manufactured or distributed by companies who do register or can certify the registration of raw materials used. We always recommend that all users of chemical and other liquid products refer to the Material Safety Data Sheets (MSDS) for any product. We can always provide these Data Sheets with all Loctite and LPS line items, for example, as well as Certificates of Analysis (CA) for these as well as products from other companies, where applicable.

GENERAL INFORMATION

As an additional matter of general information, Specialty Tool & Bolt also does fall under the U.S. Fastener Quality Act (FQA,) which regulates the distribution of through-hardened fasteners and states that fastener distributors must deliver what they state product to be. We comply with both the letter and intent of the FQA and have done so since it was passed by Congress and signed into law in 1999.

We also comply with the letter and intent of the Conflict Minerals regulations of Dodd-Frank and have a statement on that available for inspection as well as posted on our website. RoHS compliance has been noted earlier in this Declaration.

Specialty Tool & Bolt, now in its 49th year, has always been able to comply with other official standards, including U.S. Military specifications MS, AN and NAS in addition to the requirements from international agencies.

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SPECIALTY TOOL, LTD.

Same Day Fastener Service, Inc., General Partner