



NANOPHASE TECHNOLOGIES CORPORATION

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Nanophase Technologies Corporation REACH Position Statement

REACH is a new European Community Regulation on chemicals and their safe use (EC 1907/2006). It was effective on June 1, 2007 and deals with the **Registration, Evaluation, Authorization and Restriction of Chemical substances**.

Nanophase Technologies Corporation is committed to meeting the requirements set forth in the REACH (Registration Evaluation and Authorization of Chemicals) regulations and is committed to working with our suppliers and customers to ensure continued supply of our products. We do not anticipate any disruptions of products to our customers.

The registration path will proceed as follows;

- Through our appointed Only Representative (OR), Nanophase has pre-registered its metal oxides of interest during the period of June 01-Nov 30th, 2008. Subsequently, all pre-registered chemicals will be registered according to the timeline established under REACH.
 - To date, Nanophase has successfully registered its Zinc Oxide. The registration number for Zinc Oxide is: **01-2119463881-32-0038**, and the registered quantities are 100-1000T/ per year
- We are also working with downstream suppliers to assure their chemicals will be pre-registered. As a result, the monomers, solvents and chemical additives utilized in our products are sourced from suppliers who have committed to support these raw materials through the REACH process.
- European demand calculations will be based on growth projections derived from historical trends. If your company has future demand for Nanophase products that are greater than historical consumption, it is important to contact your Nanophase representative to insure that the additional consumption will be accounted for in the registration process.

As an ongoing exercise, we are working with downstream suppliers to confirm their status of registration. It is our understanding that once the raw materials are pre-registered, the products utilizing them can be freely imported to and exported from the EU Member States.

Our REACH activities with the downstream suppliers will continue up to the point of registration and until registration has been completed.

Exceptions will be identified on an individual basis, and we will of course notify you should the REACH requirements cause us to decide not to register or seek authorization of substances that are part of any product that we sell to you. In such cases, Nanophase will endeavor to provide you as much notice as possible prior to the relevant substance deadlines and work with you to develop a mutually acceptable solution.

If you require any further clarification please do not hesitate to contact Tom Williams, Customer Service Manager at 630-771-6709.