

June 18, 2010

RE: INEOS-ABS (USA) REACH Information – June 2010 Update

Dear Valued INEOS ABS (USA) Customer,

INEOS ABS (USA) has created this letter to respond to requests for information on the European REACH regulation on the Registration, Evaluation, Authorization and Restriction of Chemicals (Regulation (EC) No 1907/2006). The REACH regulation is complex and there are only certain parts to which we can respond. It is important that you know that it is the basic chemicals used to produce our polymers that are being targeted by REACH. These chemicals are reacted to form our polymers or may be used with them as additives or colorants. Any of these ingredients in an amount > 2% by weight are part of this regulation. Our finished polymers themselves are exempt from REACH.

The REACH regulation is written such that the company that imports materials into Europe is responsible for them. INEOS ABS companies in Spain and Germany purchase certain polymers from us and have pre-registered the required chemicals for those shipments. Under the REACH regulation, they cannot perform this function for other polymers that they do not import or for other companies who import the same polymers.

Many customers are inquiring about our possible use of chemicals listed as Substances of Very High Concern (SVHC).

If you purchase Lustran® ABS 648 or Lustran ABS 488 you will find there is one substance on the original SVHC candidate list that is contained in those two products. No other products made by INEOS ABS (USA) contain any of the original SVHC chemicals. If you purchase ABS 648 or ABS 488, the SVHC ingredient used in them is clearly disclosed in Section 15 of the MSDS for your specific product. If you do not export these products or parts made from these products to Europe, there is no action required on your part.

Materials are being added to the original candidate list of SVHCs on a routine basis. As of the latest list updated June 18, 2010, there are no additional substances on the SVHC list published in June 2010 that are present in INEOS ABS (USA) products, other than that mentioned above for 488 and 648.

Since some customers are sending our polymers to Europe, we are offering the following assistance. INEOS ABS companies in Spain and Germany are prepared to import these polymers for you and do the necessary pre-registration for REACH. They have already pre-registered the chemicals associated with the polymers they are currently importing and could expand that list for new ones customers would like them to import on their behalf. This might provide a cost savings if you are considering paying for the services of an “Only Representative” to register your imports as outlined in the REACH regulation.

For customers who are molding parts and shipping them to Europe, it is our understanding that importation of parts (called “articles” in the regulation) will not have to pre-register or register chemical substances contained

in the articles unless those chemicals (total quantity over 1 metric tonne/year) would be released from the article during normal or reasonably foreseeable conditions of use. If the article contains an SVHC chemical, then the importer of the article or their "Only Representative" would have to notify the European Chemicals Agency as indicated in the REACH regulation.

If you are purchasing our products and modifying them (i.e. coloring or blending) before sending them to Europe, then you will need to contact us in regard to the type of modifications being made and how that impacts REACH compliance for the final material being sent to Europe. This might require a nondisclosure agreement for us to assist you.

We hope this information is helpful in working on your REACH requirements.

Thank you for your interest in the safe use and handling of INEOS products. If we may be of any additional assistance, please do not hesitate to contact us.

Sincerely,

A handwritten signature in blue ink that reads "Jennifer C. Barry". The signature is written in a cursive style with a large, looped initial "J".

Jennifer C. Barry
Quality/Product Engineer