



Gignac, July 31st 2017

Dear Customer,

We are pleased to announce the commercialization of our new alcohol breathalyzer, in accordance with the new REACH regulations, effective September 21, 2017.

This alcohol breathalyzer without chromium meets the requirements of the REACH regulation on the protection of human and environmental health.

In accordance with article 56 of the European regulation, chromium-based substances shall be banned from use and placing on the market by the manufacturers, as from 21 September 2017. Alcohol breathalyzers will all have to respect this European obligation to preserve the environment and the health of consumers.

Despite our alcohol breathalyzer contains a very small amount of chromium (less than 0.1%), CONTRALCO has chosen to comply with REACH regulation by removing the chromium from its product long before the application of the European directive.

Our new patented formula has other advantages in the product operation.

The new product is:

- **More READABLE:** The new reagent is white and turns red in the presence of alcohol. Reading the color contrast is easier for the user.
- **EASIER:** The reading becomes simpler, because there is no central ring to see if the color exceeds the line. If the reagent changes color then the user is above the allowed limit. If there is no coloring, the user is below the limit. Reading is thus more objective.
- **SIMPLER:** The handling of the product is also simpler. There is no more sense to connect the test tube to the bag. There will be no more mistakes in its implementation.
- **FASTER:** The reagent is faster than the current product, the color change is at room temperature in less than a minute while it takes between 2 and 15 minutes for the current reagent.

On the normative level, this new product is certified on the requirements of the latest standard NFX20-702 (version 2014) which serves as a reference to the allocation of the NF mark.

Our company has not ceased to support the promotion of this "label" which, for this type of product, is the only real guarantee of reliability and quality in France and internationally.

This new standard has been drafted in order to confer to the NF alcohol breathalyzers a very high level of reliability.

The performance requirements for single use alcohol breathalyzers according to the new version of the NF standard are now on certain criteria, even more stringent than those contained in European and international standards relating to professional electronic alcohol breathalyzers or to evidential alcohol breathalyzer which, however, are legal instruments of metrology whose measures are authentic in the courts.



As an example:

- A reliability of 100% is required for all trials carried out at the reference concentration, (0.2 g/L or 0.5 g/l),
- The operation of the product is verified after storage of the devices in extreme conditions of -20 ° C to 70 ° C and a humidity of 95%,
- The operation of the product is tested and carried out under different daytime and nocturnal lighting.

These new requirements lead to a considerable increase in the cost of testing in the official laboratory. We have initiated the necessary steps to obtain the renewal of the NF certification and our new product has obtained the standard in September 2016.

The price of the new product is also impacted by:

- More than two years of research on the stability of the reagent. A compound reagent was selected from over 68 different reagents that we tested at all temperatures and under different conditions,
- The manufacturing process is longer and requires many additional controls,
- The price of raw materials for the production of the new reagent is higher.
- The price of the tests for obtaining the NF standard carried out by the LNE.

This product will be manufactured in a standard way from September 2017.

With regard to the current product with chromium, we will take orders until 20 September 2017, when the REACH Directive will apply.

The compliance will increase your purchase price, which is why your rate will be valid until December 31, 2018 if no change of regulation occurs by then.

Finally, we would like to make it clear to you that there are products that are "in conformity with the decree of June 2015". We wish to point out that, in the annex to this Decree, it is required, in order to comply, to produce a test report prepared by a COFRAC accredited laboratory.

We strongly advise our customers to request this test report to ensure the reliability of the products to consumers. Indeed, many products do not pass the tests.

These tests are derived in part from the NF standard for single use alcohol breathalyzers.

We remain at your disposal for any information.