



INTRODUCTION TO

LAICON Consulting Services Inc

In Partnership with Laidler Associates Consulting Services Ltd UK

LAICON CONSULTING SERVICE INC.

Independent Machinery Safety Advice

Legislative Background

EUROPEAN UNION

To enable countries in the European Union to trade successfully across boundaries, all industries have to operate under the same conditions. This required the introduction of harmonized legislation across the member states. Although it meant new or revised products, industry practices and standards, the legislation has had the effect of establishing common minimum standards for trade and safety across the European Union.

For this to happen, the European Commission embarked on a policy of harmonization. Initially the Commission proposed Directives, which would identify a unified approach to the production and trade of products and goods across Europe. These Directives were prescriptive and it was felt that this was detrimental to both innovation and invention. To counter this, the Commission introduced the New Approach Directives (CE Directives). These Directives are not prescriptive and lay down minimum criteria for compliance. The aim is for the New Approach Directives to be similar in format for ease of reference and use. Perhaps the most significant aspect of the new legislation is the conformity assessment procedure (the means by which the compliance is ensured). The Directives offer a flexible approach, mainly based on trade and safety. Products from around the world can be sold in Europe, but they must meet the Directives and be safe (for example toys).

When a New Approach Directive has been adopted by the Commission it is a legal requirement for each Member State of the European Union to introduce the Directive into its own legislation. These Directives are integrated within the Member States legislation, which necessitate amendments to the existing legislation to enable a co-ordinated approach to be adopted. The Commission projected that 80% of all products sold within the Union would carry CE Marking by the year 2005. This will allow businesses (when complying) to trade in a market of approximately 350 million people.

SIGNIFICANT DIRECTIVES

Toys 88/378/EEC

Medical Devices 93/42/EC

Recreational Craft 94/25/EC

Machinery Directive 98/37/EC

EMC Directive 2004/108/EC

Low Voltage Directive 2006/95/EC

Use of Work Equipment 89/655/EEC – (PUWER)

Amending Directive to the Use of Work Equipment Directive – (PUWER '98)

Company Background

The first campaign to raise awareness in the North East of England to the implications of European safety legislation was initiated by Paul Laidler. Seconded from his post as Senior Lecturer in the Electrical Engineering Department of Longlands College, Middlesbrough in 1992, he formed and managed the Longlands Advisory & Consultancy Services (LACS). Through LACS, he introduced the regions first dedicated support service for the Machinery Directive which was initially supported by DTI North East.

LACS, which was a wholly owned subsidiary company of the college, was awarded a succession of European grants to provide support for smaller businesses and became one of the few UK organizations to win government recognition for its machinery legislation support services. Paul managed many European funded projects the largest being a £1.2 million Adapt project involving transnational European partners assessing the impact of CE Marking throughout Europe.

Under his management, LACS rapidly expanded from a regional organization into an international consultancy with a reputation as a leader and an innovator. Its practical approach to consultancy, training and project management established particularly strong client relationships in Korea, Japan, North America and Europe.

In 1998, the leading members of Longlands Advisory & Consultancy Services, including Paul Laidler, formed an independent company, Laidler Associates Consulting Service Ltd. This allowed them the flexibility to expand and provide an extensive range of specialized consultancy services in the area of European Directives, Safety Systems and related Health and Safety topics. Alongside Paul, Dave Kirton, Derek Coulson and Mark Smailes are all respected in their fields of knowledge and professionalism, and offer their invaluable experience and expertise through this company. The collective experience and expertise of the staff at Laidler Associates covers all aspects of equipment and industry areas.

The directors and staff of Laidler Associates Consulting Service Ltd have worked extensively throughout the UK, Europe, the Far East and North America, guiding a large number of the world's major industrial organizations to achieve compliance with the Machinery Directive, EMC Directive, Low Voltage Directive, other associated Directives, Semi Guidelines and Safety topics.

Their collective experience of helping businesses to find the most cost-effective and practical route to compliance is probably unmatched by any other consultancy. As an independent company Laidler Associates Consulting Service Ltd has the flexibility to expand and address new initiatives created by commercial and legislative demands.

The introduction of a new Machinery Directive, 2006-42-EC in December 2009 has given Laidler Associates the impetus to expand globally, opening the first office outside of the UK. Laicon Consulting Services Inc is based in Orlando, Florida and is run by newly appointed CEO, Alan Scott. Having previously lived and worked in Florida before joining Laidler UK in 2007, Alan saw the challenges raised by the new Directive as a prime opportunity to expand Laidler on the global market.

Based on this practical knowledge, they have put together a comprehensive range of services covering in some cases highly specialized areas that are extremely relevant to companies working in these sectors, including:-

- *Semi 2 Safety Inspections
- *Health & Safety
- *Low Voltage Directive
- *Machinery Safety Directive
- * EMC Directive
- *Project Management
- *Pressure Equipment Directive.

Training, Seminars, Consultancy, Customised Software, full Project Management of CE Marking, work equipment compliance and Risk Assessment can be tailored to meet each client's specific needs.

Areas of Expertise

NOTIFIED BODY STATUS

Laidler Associates Consulting Service Ltd has created Laidler Certification, which has achieved Notified Body Status allocated by the European Commission and recognized by the DTI (number 0870). Laidler Certification is one of only 10 Notified Bodies for Machinery in the UK. Paul Laidler is the Operations Manager for this. Subsequently, Laidler Certification gained Notified Body status for the Electromagnetic Compatibility (EMC) Directive, giving further evidence of the recognized knowledge and experience within the companies.

Through Laicon Consulting Services Inc Laicon Consulting Services Inc., American clients can gain Independent, 3rd party equipment evaluations, Type examinations and Certification of equipment on the Annex IV list from the Machinery Directive. For EMC, Laidler Certification can provide sign off services for the Tehcnical File route to compliance.

SEMI CONDUCTOR INDUSTRY

Leading members of Laidler Associates are heavily involved in the Semiconductor industry and sit on the European and Global EHS committees. Laidler Associates, through Laidler Certification, provides confidential independent 3rd party evaluations based on Semi S2 and Semi S14 Inspections and the Sematech Guidelines, which are the industry safety guidelines and Standards used worldwide for the Semiconductor Equipment Manufacturing Industry.

Laidler Certification meets the stringent global Semi guideline requirements for total independence and confidentiality in Safety Appraisals, which are carried out on site, anywhere in the world.

Providing cost effective certification, for Semi S2, European CE marking, which includes Low Voltage, EMC and Machinery Directives, as well as field labelling, the Laidler Certification service includes continual support and advice on safety issues from initial design to manufacture and beyond. Paul Laidler was chairman of a global Task force which rewrote the Semi S10 standard on Risk Assessment.

Why Laidler stands out

The Laidler Associates mission contains the following statements:

- “To provide our clients - manufacturers, suppliers and users of equipment - with the optimum cost effective method of compliance with legislative demands.
- To always provide the best current advice.
- To focus on practical, cost effective assistance.
- To provide solutions to our clients’ problems
- To ensure we provide effective communication with our clients.
- To continue to cement long lasting client relationships.
- To be acknowledged as a leading player in the field of machinery safety both nationally and internationally.”

As a company, we work towards these ideals and it is this aim that we feel has made the difference between success and failure for us as a company. There are several key factors that we employ in a bid to carry out our aims. We are:

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| Flexible | in terms of meeting timescales and locations |
| Adaptable | in terms of dealing with new legislation and tailoring services to the client |
| Practical | in terms of the assistance and guidance that we provide |

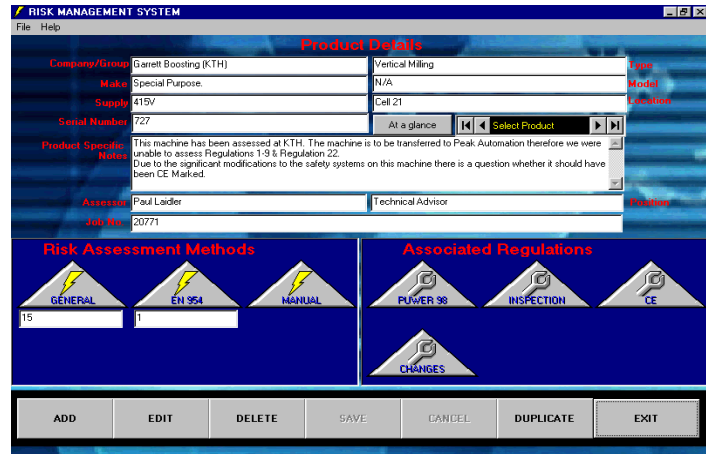
This is the ethos to which Laidler Associates works. By striving to provide the best possible practical and cost effective service, we have been able to build close working relationships with our clients.

Laidler Associates has been built on forming and managing client relationships. We look to our clients as colleagues. It is important to us that our clients are confident that they can simply ask us for advice and that, where possible, we will always answer them in a straightforward manner and as quickly as possible.

The difference between success and failure can be very small for a business and we firmly believe that aiming for service excellence is a key factor and building and continuing a successful business.

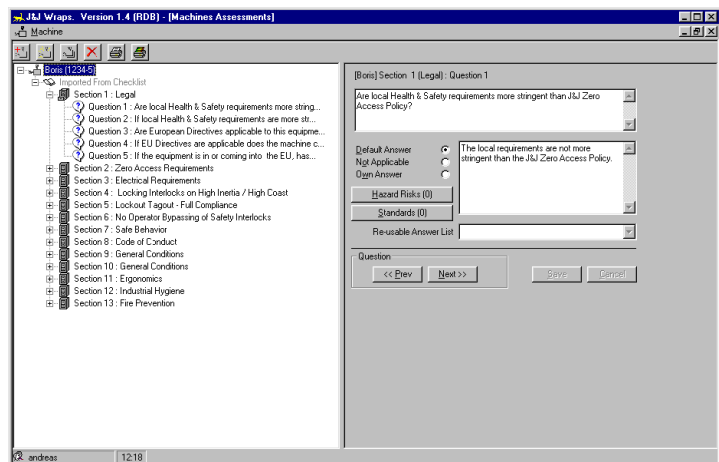
Innovation

IT is found in all walks of life, including business. Laidler Associates are always keen to harness the benefits of integrating IT into the working day to provide an easier, quicker, better system of work. The Laidler Associates Risk management software system (recently updated to the new and improved mCom Software) was developed, initially to help



our engineers to provide a better service. It allowed the engineer to speed up the compliance process by automating the documentation process. Prior to using this system, all documents would have to have been created manually. Once the necessary data has been inputted into the system, it allows the user to print out a variety of reports and documentation. This data is stored and can be added to or amended at a later date. Having used the system with several clients, it became clear that instead of being just an internal system, it could be marketed as a saleable item. It was repackaged and has been sold around the world to all sizes of company from SME to multi-national. As far as we are aware, there is no other system available today that provides such a straightforward method of providing documentation for risk assessment and CE Marking projects.

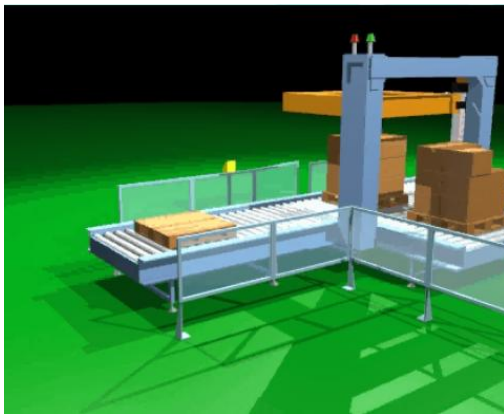
Due to the changes that have taken place in PC operating systems and hardware since the original system was produced, it was decided to take advantage of the new technology and re-write the system. Version 2 was launched during 2002. One of the main advantages of this new system is the ease with which it will be able to either



update the system for changes in legislation or provide modules tailored to a clients' specific requirements. Additional modules that have been produced include 'Making paper Safely' for the UK

Paper Industry, Mobile Work Equipment and Safe Means of access to Machinery. It will be possible using this new system to produce modules for virtually any piece of safety related legislation. We believe that this will in turn open up the advantages of e-commerce to us, as module file sizes will be small enough to be downloaded from our website.

In addition to developing Version 2 of our own software package, we were contracted by Johnson and Johnson to produce a software package that will be used in all of their sites worldwide. Most of the development of this package took place in 2002 and we are now providing copies of the software and training to Johnson and Johnson employees on a regular basis.



We provide training services for our clients, which can be tailored and delivered to fulfil their needs. Courses that we regularly run include Machinery Safety legislation; Health & Safety, including Manual Handling; Electrical and Mechanical European standards; and Risk Assessment. As part of our continual development process of these training courses, it became clear that our trainees needed a visual and interactive system to be introduced. To fill

this need, we developed a 'virtual' machine that we work on during the sessions. This allows the trainee to 'see' what problems occur and how they can be overcome. We regularly gain excellent feedback from these training sessions, purely because of the virtual reality model.

In 2004, we decided to refresh the virtual machine and developed a truly virtual environment. The system has a number of 'non-conformities' built into it which are then corrected during the workshop.



Over a few years, customer feedback showed that there was a need for a recognized qualification in Machinery Safety. Laidler explored a number of avenues before deciding that the best route was to produce an academic qualification that could be incorporated into a company's workforce development programme. Through partnering with Teesside University, Laidler have produced the world's first University Certificate in Professional Development for machinery safety. It was launched in Autumn 2008 and is available both on a public and in-house basis. This certificate has required further development of the VR machine as it now forms part of the course assessment process, allowing trainees to carry out a full PUWER and CE assessment. Additional development of the VR will see a fully interactive, online virtual training centre where trainees can carry out both assessment and remedial work anywhere in the world. This will allow the expansion of the training services side of Laidler Associates.



Staff and Associates

Lacon Management

Alan Scott served in the Royal Navy for twenty years, he is a Veteran of the Falklands War, serving onboard HMS Sheffield before being medically retired in 1999. Since leaving the Navy, Alan has run his own business in Florida before returning to the UK to work as a Chief Maintenance Engineering Supervisor in the Paper Industry. In 2007, Alan joined the Laidler Group as Business Development Manager and identified the need for an American office to assist both US exporters and UK importers. Alan moved back to Florida in July 2009 to run Laicon Consulting Services Inc.

Laidler UK Management

Paul Laidler was responsible for initiating the first campaign to raise awareness in the North East of England to the implications of European safety legislation. Through his involvement with Semiconductor manufacturers, Paul has been invited to work along side representatives of some of the worlds best known companies in producing Global safety standards for the semi conductor industry. Paul was chairman of the global Task Force, which rewrote the Risk Assessment standard (S10) for the Semi Conductor Industry.

Paul is now recognized by CEN as an expert on European Directives and has been involved with training in Bulgaria, Hungary, Poland, Rumania and the Czech Rep on behalf of the European Commission.

Mark Smailes spent 11 years in steel fabrication industry, including 3 years as a Quality Manager, 2 years as a Works Manager and 2 years as a Health and Safety Engineer, before joining LACS as a Technical Advisor. Mark has been appointed by the European Chamber of Commerce to provide training on CE Marking Directives in many of the Central European Countries (CEC) including Latvia, Poland and Rumania.

Derek Coulson is a Mechanical Engineer with general machinery experience. He deals with Vehicle Type Approval and specialist equipment mounted on vehicles. He was a Service Technician and managed a Service Organization before joining LACS as a Technical Advisor. Derek has been appointed to the Paper Industry Technical Association Engineering Working Group.

The following staff members work across the Laidler Group of companies.

Gary Robson is an IT specialist with wide experience of programming in many areas, application development, web design, database design, systems administration and maintenance. He has worked in both the public and private sectors administering computer systems and databases.

Chris Norris has a background in graphic design and publishing and provides the marketing function for the group.