1 - Identification of the product and the company undertaking

1.1 Product: Rechargeable battery

Product Category: Lithium Ion Batteries
Representative Models:

ICR-18650-1800mAh, ICR-18650-2000mAh, ICR-18650-2200mAh, ICR-14650-1100mAh, ICR-14500-700mAh.

Electrochemical system:

<table>
<thead>
<tr>
<th>Electrodes</th>
<th>Negative Electrode:</th>
<th>Positive Electrode</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electrolyte</td>
<td>Carbon</td>
<td>Lithium cobaltite (LiCoO2)</td>
</tr>
<tr>
<td>Nominal voltage</td>
<td>Solution of lithium hexafluoro phosphate (LiPF6) in a mixture of organic solvents</td>
<td>3.7 Volts</td>
</tr>
</tbody>
</table>

Equivalent name: lithiated cobalt oxide.
Ethylene Carbonate (EC) + DiMethyl Carbonate (DMC) + DiEthyl Carbonate (DEC).

1.2 Manufacturer:

Shenzhen KAYO Battery Co., Ltd.
305#, Chaohui Building, Baohua Road, Longhua Town,
Shenzhen, China 518109
Tel: +86-755-28117967
Fax: +86-755-28117957
Web: www.kayobattery.com
Email: service@kayobattery.com

2 - Composition (Typical weight percentages of basic material)

<table>
<thead>
<tr>
<th>Metals</th>
<th>%</th>
<th>Others</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Copper</td>
<td>5-10</td>
<td>Lithium cobalt oxide</td>
<td>25-50</td>
</tr>
<tr>
<td>Aluminum</td>
<td>2-10</td>
<td>Carbon</td>
<td>10-30</td>
</tr>
<tr>
<td>Lithium metal</td>
<td>2-3</td>
<td>Organic solvents</td>
<td>10-20</td>
</tr>
<tr>
<td>Steel shell</td>
<td>5-15</td>
<td>Polyvinylidene Fluoride (PVDF)</td>
<td>0-5</td>
</tr>
<tr>
<td>Nickel</td>
<td>0.5-5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3 - Hazards Identification

3.1 Physical:

The so-called Li-ion battery is evolved from common liquid Li-ion battery by using LiCoO2 at anode, carbon at cathode, and fixed alkaline solvents as electrolyte, eventually put these materials into a pouch shape aluminum plastic film package. Li-ion battery is the new generation Lithium battery that has made significant milestones in battery’s development. The obvious advantage of the Li-ion battery not only has its high capacity, long cycle life, steady discharge rate and non-pollution, but also eliminates safety hazards that liquid Li-ion battery exists, especially of those steel can batteries. Furthermore, the flexible outline and custom design shape is more convenient at fingertips in a timely and cost effective way.

3.2 Chemical:
Classification of dangerous substances contained into the products per directive 67/548/EEC

<table>
<thead>
<tr>
<th>Substance</th>
<th>Melting point</th>
<th>Boiling point</th>
<th>CAS N°</th>
<th>Chemical Symbol</th>
<th>Exposure Limit</th>
<th>Indication of danger</th>
<th>Special Risk (1)</th>
<th>Safety Advices (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>12190-79-3</td>
<td>&gt; 1000°C</td>
<td>N/A</td>
<td>0.1 mg/m³</td>
<td>0.1 mg/m³</td>
<td>OSHA</td>
<td>R22 R43</td>
<td>S2 S22 S24 S26 S36 S37 S43 S45</td>
<td></td>
</tr>
<tr>
<td>DMC: 616-38-6</td>
<td>DMC: -43°C</td>
<td>DEC: 105-58-8</td>
<td>None established</td>
<td>Organic Solvents (EC-DMC DEC)</td>
<td>None established</td>
<td>OSHA</td>
<td>Flammable</td>
<td>R21 R22 R41 R42/43 S2 S24 S26 S36 S37 S45</td>
</tr>
<tr>
<td>21324-40-3</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>LiPF6 ( Decomposes at 160°C )</td>
<td>None established</td>
<td>OSHA</td>
<td>Irritant Corrosive</td>
<td>R14 R21 R22 R41 R43 S2 S8 S22 S24 S26 S36 S37 S45</td>
</tr>
</tbody>
</table>

3.2.1 – Nature of special risks:
- R 14 Reacts with water.
- R 21 Harmful in contact with skin.
- R 22 Harmful if swallowed.
- R 41 Risk of serious damage to the eye.
- R 42/43 May cause sensitization by inhalation and skin contact.
- R 43 May cause sensitization by skin contact.

3.2.2 – Safety advises:
- S 2 Keep out of reach from children.
- S 8 Keep away from moisture.
- S 22 Do not breathe dust.
- S 24 Avoid contact with skin.
- S 26 In case of contact with eyes, rinse immediately with plenty of water and seek medical attention.
- S 36 Wear suitable protective clothing.
- S 37 Wear suitable gloves.
- S 45 In case of incident seek medical attention.

4 - First Aid Measures

In case of battery rupture or explosion, evacuate personnel from contaminated area and provide maximum ventilation to clear out fumes/gases. In all case, seek medical attention.
- Eye Contact: Flush with plenty of water (eyelids held open) for at least 15 minutes.
- Skin Contact: Remove all contaminated clothing and flush affected areas with plenty of water and soap for at least 15 minutes.
- Do not apply greases or ointments.
- Ingestion: Dilute by giving plenty of water and get immediate medical attention.
- Assure that the victim does not aspirate vomited material by use of positional drainage.
- Assure that mucus does not obstruct the airway.
- Do not give anything by mouth to an unconscious person.
- Inhalation: Remove to fresh air and ventilate the contaminated area.
- Give oxygen or artificial respiration if needed.

5 - Fire-Fighting Measures
6 - Accidental Release Measures

The material contained within the batteries would only be expelled under abusive conditions. Using shovel or broom, cover battery or spilled substances with dry sand or vermiculite, place in approved container (after cooling if necessary) and dispose in accordance with local regulations.

7 - Handling And Storage

The batteries should not be opened, destroyed nor incinerate since they may leak or rupture and release in the environment the ingredients they contain.

Handling:
- Do not crush, pierce, short (+) and (-) battery terminals with conductive (i.e. metal) objectives.
- Do not directly heat or solder.
- Do not dispose of fire.
- Do not mix batteries of different types and brands.
- Do not mix new and used batteries.
- Keep batteries in non-conductive (i.e. plastic) trays.
- Do not strike or throw the battery against hard surface.
- Do not directly solder the battery and pierce the battery with a nail or other sharp object.

Storage:
- Store in a cool (preferably below 30°C) and ventilated area away from moisture, sources of heat, open flames, food and drink.
- Keep adequate clearance between walls and batteries.
- Temperature above 70°C may result in battery leakage and rupture.
- Short circuit can cause burn, leakage and rupture hazard, keep batteries in original packaging until use and do not jumble them.
- Others: follow KAYO’s recommendations regarding maximum recommended currents and operating temperature range.
- Applying pressure or deforming the battery may lead to disassembly followed by eye, skin and throat irritation.
8 - Exposure Controls / Personal Protection

• Respiratory protection: Not necessary under normal use. In case of battery rupture, use self-contained full-face respiratory equipment.
• Hand protection: Not necessary under normal use. Use Viton rubber gloves if handling a leaking or ruptured battery.
• Eye protection: Not necessary under normal use. Wear safety goggles or glasses with side shields if handling a leaking or ruptured battery.
• Skin protection: Not necessary under normal use. Use rubber apron and protective working in case of handling of a ruptured battery.

9 - Physical And Chemical Properties

9.1 Appearance:

(Physical shape and color as supplied) Metal cylindrical steel shell, hermetically sealed and fitted with an external plastic film.

9.2 Temperature range:

<table>
<thead>
<tr>
<th></th>
<th>Continuous</th>
<th>Occasional</th>
</tr>
</thead>
<tbody>
<tr>
<td>In Storage</td>
<td>-20/+35°C</td>
<td>-20/+45°C</td>
</tr>
<tr>
<td>During Discharge</td>
<td>-20/+ 60°C</td>
<td>-20/+ 60°C</td>
</tr>
<tr>
<td>During Charge</td>
<td>0/+ 45°C</td>
<td>0/+ 45°C</td>
</tr>
</tbody>
</table>

9.3 Specific energy:

≈ 135 Wh/kg (Note: Wh = Nominal voltage x Rated Ah as defined in IEC standard N° 285. kg = Average battery weight)

9.4 Specific pulse power:

≈ 300 Wh/kg

9.5 Mechanical resistance: As defined in relevant IEC standard

10 - Stability and Reactivity

Conditions to avoid:
• Heat above 70°C or incinerate.
• Deform, mutilate, crush, pierce, and disassemble.
• Short circuit.
• Prolonged exposure to humid conditions.

Materials to avoid: N/A.

Hazardous decomposition products: Corrosive/Irritant Hydrogen fluoride (HF) is produced in case of reaction of lithium hexafluorophosphate (LiPF6) with water. Combustible vapors and formation of Hydrogen fluoride (HF) and phosphorous oxides during fire.

11 - Toxicological Information

KAYO Li-ion rechargeable batteries do not contain toxic materials.
12 - Ecological Information

When properly used or disposed, KAYO lithium-ion rechargeable batteries do not present environmental hazard.

13 - Disposal Considerations

Dispose in accordance with applicable regulations that vary from country to country. (In more countries, the thrashing of used batteries is forbidden and the end-users are invited to dispose them properly, eventually through not-for-profit organizations, mandated by local governments or organized on a voluntary basis by professionals). Li-ion batteries should have their terminals insulated and be preferably wrapped in plastic bags prior to disposal.

13.1 Incineration:

Incineration should never be performed by battery users but eventually by trained professionals in authorized facilities with proper gas and fumes treatment.

13.2 Land filling: Leachability regulations (mg/l)

<table>
<thead>
<tr>
<th>Component</th>
<th>Leachability</th>
<th>EC limit</th>
<th>EPA</th>
<th>Other*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iron</td>
<td>100</td>
<td>2</td>
<td>5</td>
<td>0.5</td>
</tr>
<tr>
<td>Nickel</td>
<td>500</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

13.3 Recycling: Send to authorize recycling facilities, eventually through licensed waste carrier.

14 - Transport Information

Kayo lithium-ion cells and batteries are not subject to the requirements of the U.S. hazardous materials regulations pursuant to 49 CFR 173.185(b), IATA Dangerous Goods Regulations pursuant to Special Provision A45, and IMDG Code pursuant to Special Provision 188. Each Kayo cell or battery has been tested under provisions of the UN Manual of Tests and Criteria, Part III, Sub-section 38.3.

14.1 United Nations:

• UN 38.3

14.2 International Conventions:

• Air IATA DGR A45 Yes
• Sea IMDG Yes
• Land ADR (road) Yes
• RID (rail) Yes

14.3 Others:

In the USA: Code of Federal Regulations (49 CFR Ch. 1 § 173-185)

15 - Regulation Information

IATA DGR—A45 & Model Regulations on the Transport of Dangerous Goods—part 3.3 No.188 Lithium cells and batteries offered for transport are not subject to other provisions of these Regulations if they meet the following:

(a) For a lithium metal or lithium alloy cell, the lithium content is not more than 1 g, and for a lithium-ion cell, the lithium-equivalent content is not more than 1.5 g;
(b) For a lithium metal or lithium alloy battery the aggregate lithium content is not more than 2 g, and for a lithium-ion battery, the aggregate lithium-equivalent content is not more than 8 g;

(c) Each cell or battery is of the type proved to meet the requirements of each test in the Manual of Tests and Criteria, Part III, sub-section 38.3;

(d) Cells and batteries are separated so as to prevent short circuits and are packed in strong packaging, except when installed in equipment; and

(e) Except when installed in equipment, each package containing more than 24 lithium cells or 12 lithium batteries shall in addition meet the following requirements:

(i) Each package shall be marked indicating that it contains lithium batteries and that special procedures should be followed in the event that the package is damaged;

(ii) Each shipment shall be accompanied with a document indicating that packages contain lithium batteries and that special procedures should be followed in the event a package is damaged;

(iii) Each package is capable of withstanding a 1.2 m drop test in any orientation without damage to cells or batteries contained therein, without shifting of the contents so as to allow battery to battery (or cell to cell) contact and without release of contents; and

(iv) Except in the case of lithium batteries packed with equipment, packages may not exceed 30 kg gross mass.

As used above and elsewhere in these Regulations, “lithium content” means the mass of lithium in the anode of a lithium metal or lithium alloy cell, except in the case of a lithium-ion cell the “lithium-equivalent content” in grams is calculated to be 0.3 times the rated capacity in ampere-hours.

16 - Other Information / Disclaimer

This information has been compiled from sources considered to be dependable and is, to the best of our knowledge and belief, accurate and reliable as of the date compiled. However, no representation, warranty (either expressed or implied) or guarantee is made to the accuracy, reliability or completeness of the information contained herein.

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For Shenzhen KAYO Battery Co., Ltd.

Hui Chang

April 24th 2008