PRODUCT ADVISORY NOTICE

KEEPING YOU INFORMED OF PRODUCT CHANGES

To: All Customers, Sales Representatives and Distributors

Date: March 17, 2017

Subject: Expanded Surface Mount Pick and Place Capacity in our Shenzhen, China Facility

This Product Advisory Notice is to alert you that there is an upcoming process change in our Grayhill Shenzhen, China production facility. Your company has purchased one or more of the affected part numbers in the past. Please forward this notification to the appropriate person(s) in you organization.

Description of Change

Grayhill's Shenzhen, China production facility produces various electronic products, including many different optical encoders. The Shenzhen facility has been performing the Surface Mount printed circuit board component assembly on the majority, but not all, of the two million optical encoders we produce on a yearly basis. Grayhill has now expanded its Surface Mount Technology component Pick and Place capacity in the Shenzhen, China facility. This now permits us to perform the Surface Mount assembly for all the encoders that are assembled in Shenzhen. Grayhill will maintain the ability to provide printed circuit board assemblies from its LaGrange USA facility as a backup, if required. There are no changes to the piece part components or the printed circuit board assemblies used in the encoders. Grayhill has performed comprehensive qualification of the pick and place assembly, the individual printed circuit board assemblies, and the finished encoders using the Shenzhen assembled printed circuit boards. The printed circuit boards and finished encoders have passed all of the stringent environmental tests which include thermal shock, mechanical shock, mechanical vibration, four corner testing, and 500 hour +85C/85%RH testing.

Reason for Change

Plant capacity expansion and supply risk mitigation. The option of performing the printed circuit board assembly in Shenzhen or USA also provides a backup in the event a line is down for an extended period of time.

Effective Date

The process change will be effective April 1, 2017.

Part Numbers Affected

All variants of Grayhill part numbers beginning with 60C, 62AG, 62NG, 62SG, assembled in our Shenzhen, China facility (example 62AG11-L5-020C).

Data Availability

The qualification test reports are available on-line at http://www.grayhill.com/about-us/product-advisory-notices/

Action Required

If you have questions, please contact your Grayhill, Inc. sales associate for further information at 708.354.1040.