

BUSINESS STRATEGY, SCOPE AND QUALITY POLICY

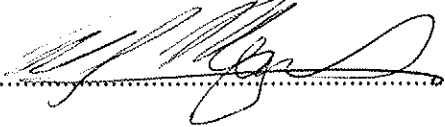
Our strategy is to undertake the manufacture and supply of bagging off systems in accordance with best professional practice and at a reasonable financial return.

The scope of the Company's operations is the manufacture of inflatable bag stoppers for use in the oil, gas, construction and water industries, including the supply of associated equipment.

The key to success in our competitive environment is to be aware of our customer's needs, and of the regulatory requirements regulating the industry. From these areas, the Company continually strives to increase customer satisfaction and to this end: -

- ❖ Management keep abreast of technological changes and innovations that may be of benefit to existing markets and provide a direction to new business areas.
- ❖ The Company strives to manufacture and maintain a quality product which is cost effective and meets the customer's requirements both on performance, delivery and costs.
- ❖ The company provides an environment to encourage employees at all levels to direct their abilities to the benefit of the organisation and their own personal satisfaction; such a policy attracts the best people in our field.
- ❖ All employees are committed to meeting the regulatory, legal and environmental expectations of the industry that have been agreed by all parties concerned.
- ❖ Measures are in place in essential core areas of the business, which indicate how well the business is performing. This includes not only basic business measures of cash flow, sales, capital expenditure etc but also complaint resolution criteria, equipment failure statistics and other contractual obligations. Additionally, data is gathered to determine success in continually satisfying the expectations of the customer. The Company is aware of the customer's needs and has a system in place for carrying out and satisfying that need.

Dissatisfied customers constitute business risk. International Standard ISO 9001:2008 provides a process for satisfying customers. To this end the company has developed and implemented a quality management system, that operates to a series of procedures and process maps that meets the requirements of International Standard ISO 9001:2008 systems. It gives confidence not only that manufactured equipment meets the requirements of the contract and specifications but, that our business is committed to continual improvement. The policy is communicated to all employees, reviewed annually and made available on the company website: <http://www.sarcostopper.com>

Signed 

Position Managing Director Date.15/10/2010

Note: A copy of this policy statement is available to all interested parties on request.