

July 20, 2010

**Re: Buy American Provisions of the
American Recovery and Reinvestment Act of 2009**

Dear Power-One Customer:

On February 17, 2009, President Obama signed into law the American Recovery and Reinvestment Act of 2009, (Pub.L. 111-5), commonly referred to as the Recovery Act or the Stimulus Bill. The Stimulus Bill creates unparalleled opportunities for the solar industry. It also allows your company to integrate the products of Power-One, Inc. into your government procurement projects. Toward that end, we write to you to assure you that the products supplied by Power-One, Inc. satisfy the "Buy American" requirement, Section 1605, of the Stimulus Bill.

Section 1605 of the Stimulus Bill states that none of the funds made available under the Stimulus Bill may be used on a project for the construction, alteration, maintenance, or repair of a public building or work unless "all of the iron, steel and manufactured goods used in the project are produced in the United States." However, subsection (d) of this section also states that the "Buy American" provision "shall be applied in a manner consistent the United States' obligations under international agreements."

In order for the World Trade Organization Government Procurement Agreement ("GPA") exclusion from the "Buy American" clause (2 CFR Part 176.90) to apply, your procurement contract must meet certain monetary thresholds. Further, the government entity with whom you are contracting must be one of the many entities which procure in accordance with the GPA.

Specifically, the U.S. Trade Representative has waived the "Buy American" provision with regard to the purchase of products manufactured in countries signatory to the World Trade Organization Government Procurement Agreement. Italy is a party to the GPA; all products supplied by Power-One, Inc. are currently manufactured at our plant Valdarno, Italy. I say "currently" because Power-One, Inc. is committed to establishing full scale manufacturing capabilities here in the United States as well. The process of establishing our American manufacturing facility is well underway. We expect this facility to be operation in Q4 2010.

In any event, whether our products are manufactured here or in Italy, we submit to you that you may incorporate our products into your procurement projects with confidence. Our position is based on the advice of our legal counsel. However, should you have questions or concerns; you are encouraged to seek your own legal counsel on these issues.

Best regards,



Kent Sheldon
Vice President Sales, North America, Renewable Energy
Power-One, Inc.