

CONFLICT MINERALS POLICY Ppol007_A

1.0 PURPOSE:

This policy provides a framework through which MERITRONICS shall comply with Section 1502 of the Dodd Frank Wall Street Reform and Consumer Protection Act pertaining to Conflict Minerals.

2.0 SCOPE:

In August 2012, the United States Securities and Exchange Commission (SEC) approved the final rule regarding the sourcing of conflict minerals as defined in the Dodd-Frank Wall Street Reform and Consumer Protection Act, Section 1502. Under this rule, publicly traded companies must report annually to the SEC the presence of “conflict minerals” originating from Central Africa in either the products they manufacture or contract to manufacture, or use in the production process

3.0 REFERENCE DOCUMENTS:

3.1 DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT, SECTION 1502.

3.2 OECD DUE DILIGENCE GUIDANCE FOR RESPONSIBLE SUPPLY CHAINS OF MINERALS FROM CONFLICT-AFFECTED AND HIGH-RISK AREAS.

3.3 CONFLICT-FREE SOURCING INITIATIVE (CFSI) CONFLICT-FREE SMELTER PROGRAM (CFSP) AND CONFLICT-FREE MINERALS REPORTING TEMPLATE (CMRT).

4.0 DEFINITIONS:

***3TG:** The term 3TG means tin, tungsten, tantalum and/or gold.

***Adjoining Country:** The term Adjoining Country means a country that shares an internationally recognized border with the Democratic Republic of the Congo (“DRC”), presently including Angola, Burundi, Central African Republic, Republic of Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia.

***Armed Group:** The term Armed Group means an armed group that is identified as a perpetrator of serious human rights abuses in annual Country Reports on Human Rights Practices under sections 116(d) and 502B(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n(d) and 2304(b)) relating to the Democratic Republic of the Congo or an adjoining country.

***Conflict Minerals:** The term Conflict Minerals means: (i) Columbite-tantalite (coltan), cassiterite, gold, wolframite, or their derivatives, which are limited to tin, tungsten and tantalum, unless the Secretary of State determines that additional derivatives are

financing conflict in the Democratic Republic of the Congo or an adjoining country; or (ii) Any other mineral or its derivatives determined by the Secretary of State to be financing conflict in the Democratic Republic of the Congo or an adjoining country.

5.0 POLICY

MERITRONICS intends to comply with the requirements of the SEC's Conflict Minerals rule and expects our suppliers to do the same. However, MERITRONICS does not directly purchase raw metal ores that may be used in the manufacture of our products from smelters or mines. Rather, we are several supply chain layers removed from the mining and processing of these metals, and as a result, we do not have first-hand knowledge of their source.

Accordingly, MERITRONICS, like many other manufacturers, has decided to use the Electronic Industry Citizenship Coalition – Global e-Sustainability Initiative ("EICC – GeSI") Reporting Template to ask our suppliers about the presence of Conflict Minerals in their products and, as applicable, the origin of any such Conflict Minerals. An example of our letter accompanies this policy statement. MERITRONICS expects that its suppliers will, in turn and as necessary, perform the same due diligence by asking their suppliers about the presence, source and origin of any Conflict Minerals in the products of their sub-suppliers, and that this information will be shared with MERITRONICS.

The process of tracing Conflict Minerals through a global supply chain is complicated and time-consuming, and some component suppliers or sub-suppliers may lack the resources to trace minerals all the way back to their source. MERITRONICS will endeavor in good faith to have its suppliers exercise reasonable due diligence to evaluate their respective supply chains for the information called for by the Conflict Minerals rule.

We will continue to evaluate our policies to ensure compliance with the SEC's Conflict Minerals Rule and make adjustments when necessary.