



NTE Electronics, Inc Conflict Minerals Policy

Adopted: December 11, 2012

This document contains NTE's policy regarding the use of conflict minerals in its products.

This policy will be reviewed and updated as needed.

Regulatory Overview

In July 2010, President Obama signed into law the Wall Street Reform and Consumer Protection Act, also known as the Dodd-Frank Act. On August 22, 2012, the Securities and Exchange Commission (the "SEC") adopted a conflict minerals rule (the "Conflict Minerals Rule") as mandated by Section 1502 of the Dodd-Frank Act. The Conflict Minerals Rule is intended to reduce a significant source of funding for armed groups that are committing human rights abuses in the Democratic Republic of the Congo (the "DRC") and its adjoining countries.

"Conflict minerals" are defined in the Conflict Minerals Rule as cassiterite, columbite-tantalite (coltan), gold, wolframite and three specified derivatives: tin; tantalum; and tungsten. In addition to the DRC, the "covered countries" are defined in the Conflict Minerals Rule as: (1) Angola; (2) Burundi; (3) Central African Republic; (4) the Republic of the Congo; (5) Rwanda; (6) South Sudan; (7) Tanzania; (8) Uganda; and (9) Zambia.

NTE Electronics, Inc Policy Statement

NTE commits to refrain from, directly or indirectly, taking or supporting any action which contributes to the financing of armed groups that are committing human rights abuses in the DRC and other covered countries. NTE has adopted this policy as part of our efforts to encourage our suppliers to respect human rights and not contribute to conflict. Additionally, we are promoting the institution of our policy to achieve ultimately the objective of providing to our customers the reasonable types of assurances that they may require that our products are, indeed, conflict free.

NTE does not typically source conflict minerals directly from mines, smelters or refiners, and, accordingly, in most cases, is several levels removed from these market participants. NTE, therefore, requires the cooperation of its suppliers in the implementation of this policy.

Supplier Requirements

NTE will not tolerate any direct or indirect support to non-state armed groups through the extraction, transport, trade, handling or export of minerals. Consistent with the foregoing, those of our Suppliers who supply or manufacture components, parts or products containing conflict minerals and wish to continue to do business with NTE, are expected to source those minerals from socially and environmentally responsible sources that do not directly or indirectly contribute to conflict or human rights abuses. Without limiting the foregoing, our suppliers are expected to directly and indirectly source conflict minerals only from sources that do not directly or indirectly benefit or finance "armed groups" (as that term is defined in the Conflict Minerals Rule) in the DRC or another covered country.

In furtherance of this policy, suppliers will be expected to:

- familiarize themselves with the Conflict Minerals Rule;
- implement and communicate to their personnel and suppliers policies that are consistent with this policy, and require their direct and indirect suppliers to do the same;
- put in place procedures for the traceability of conflict minerals at least to the smelter or refiner level, working with their direct and indirect suppliers as applicable;
- where possible, source conflict minerals from smelters and refiners validated as being conflict free, and require their direct and indirect suppliers to do the same;
- maintain reviewable business records for a period not less than seven (7) years supporting the source of conflict minerals; and
- from time to time, at NTE's request, provide to NTE written certifications and other information concerning the origin of conflict minerals included in products and components supplied to NTE and the supplier's compliance with this policy generally, and require their direct and indirect suppliers to do the same.

Suppliers also are encouraged to support industry efforts to enhance traceability and responsible practices in global minerals supply chains.

NTE reserves the right to request from any supplier at any time such information, certifications and documentation as it shall deem necessary to monitor or assess compliance with this policy.