

05/27/16

Subject: Conflict Minerals Sourcing Policy

Technologic Systems Inc. joins many others with concern regarding the human tragedies occurring in the Democratic Republic of the Congo and adjoining countries associated, in part, with the mining of columbite-tantalite (tantalum), cassiterite (tin), wolframite (tungsten) and gold ("Conflict Minerals" or "3T&G").

These minerals originate from various continents, but armed groups engaged in, or interfering with mining operations within the Democratic Republic of the Congo and adjoining countries ("Covered Countries") are subjecting people to human rights violations and using proceeds from the sale of these Conflict Minerals to finance and sustain regional conflicts. Technologic Systems supports responsible materials sourcing. We recognize and support the need to develop programs which allow for improved transparency in 3T&G supply chains.

Tin, tungsten, tantalum and gold are used in electronics products, including products manufactured and/or sold by Technologic Systems. Currently, supply chains for 3T&G minerals are not transparent or controlled, and it will take some time to analyze the many supply chains and implement meaningful verification and control programs across all product categories.

Technologic Systems is diligently working toward a goal of assuring our products are manufactured and are sourced from socially responsible supply chains. In pursuit of that goal Technologic Systems is doing the following:

- Conducting Reasonable Country of Origin Inquiries. Technologic Systems collects data using the EICC/GeSI Conflict Minerals Reporting Template for this purpose.
- Providing information to customers and suppliers and encouraging each to source materials from environmentally and socially responsible supply chains.
- Publicly disclosing our conflict minerals policy and implementation progress.
- As validation programs mature, and the pool of validated DRC Conflict Free smelters and refiners becomes more viable, we will expand our expectation that our suppliers source 3TG from smelters and refiners that are validated by the CFSI and/or other relevant trade associations as conflict free and include a conflict minerals flow-down clause in new and renewed supplier contracts and purchase terms and conditions.

Limitations:

Technologic Systems must rely on information from third parties for supply chain transparency. It is possible that supplier reports are inaccurate, unreliable and incomplete. At this time, suppliers often report at a company level which means they submit a consolidated report for all



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of their products and materials, not just products and materials provided to Technologic Systems. Decisions on whether and/or how to use all or any portion of Technologic Systems' conflict minerals information is at the user's sole and absolute discretion.

Technologic Systems does not make any representation or warranty with respect to, and undertakes no duty to update or maintain access to supplemental information. To the fullest extent permitted by applicable law, Technologic Systems shall have no liability for any losses, expenses, or damages of any nature, including without limitation, special, incidental, punitive, direct, indirect, consequential damages, or lost profits resulting from or arising out of the user's use of the preceding information.

A handwritten signature in black ink that reads "Robert L. Miller". The signature is written in a cursive style with a large, prominent "R" and "M".

Robert L. Miller
President