

Conflict Minerals Statement

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”) has been enacted in the U.S. with the intent, among other things, of **limiting the funding for atrocity committing warlords located in the Democratic Republic of the Congo and adjoining countries.**

In accordance with this intention, the Act imposes various inquiry and disclosure requirements on a broad range of public companies regarding the use of “**Conflict Minerals.**” **For the purposes of the Act, “Conflict Minerals” consist of Tin, Tantalum, Gold and Tungsten.**

POWERsonic takes very seriously the concerns regarding Conflict Minerals that prompted the promulgation of the Act:

- Intends to comply with the Act and therefore, expects all of our suppliers— domestic and international—to comply with the Act; and
- Expects that all suppliers provide all necessary declarations using the EICC/GeSI Conflict Minerals Reporting Template.

If a supplier is found not to be in compliance with these objectives:

- The supplier is expected to develop, implement and document plans to remedy such non-compliance in a timely manner; and
- If non-compliance cannot be resolved, **we reserve the right to terminate the relationship with the supplier.**

These measures will be used in conjunction with industry initiatives such as the Conflict- Free Smelter Program to reasonably assure that the Conflict Minerals in the products we manufacture do not directly or indirectly finance or benefit atrocity committing warlords located in the Democratic Republic of the Congo and adjoining countries.