



Wayne Interchange Plaza I

145 Route 46 West

Wayne, New Jersey 07470 USA

## **SUPPLIER CONFLICTING MATERIAL POLICY STATEMENT**

The United States Congress passed legislation in July of 2010 requiring corporations to report the use of "Conflict Minerals" in the manufacture of their products. The current law, generally referred to as the "Conflict Minerals Law", was included as Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, passed by the US Senate on May 20, 2010 and signed by President Barack Obama on July 21, 2010. (<http://www.sec.gov/spotlight/dodd-frank/speccorpdisclosure.shtml>)

The minerals covered by this ACT are:

<b>Tantalum (Ta) (*)</b>
<b>Tin (Sn) (*)</b>
<b>Gold (Au) (*)</b>
<b>Tungsten (W) (*)</b>

CARDINAL COMPONENTS INC. fully supports the position of the Electronic Industry Citizenship Coalition (EICC), the Electronic Components, Assemblies and Materials Association (ECA) and the Tantalum-Niobium International Study Center (TIC) to avoid the use of conflict minerals which directly or indirectly finance or benefit armed groups in the Democratic Republic of the Congo or adjoining countries, in line with full compliance to the EICC's Electronic Industry Code of Conduct.

In the process of manufacturing timing components CARDINAL COMPONENTS INC.'s uses some of these metals that are possibly mined from the DRC which has been determined to be a Conflict Region mines. These metals when mined from the DRC are deemed "Conflict Metals" and we have directed our raw material suppliers to prohibit their use.

The supply chain for our timing components is complicated and multi-faceted with material coming from all regions of the world by multi-national organizations. We are undertaking the task to be responsible corporate citizens and comply with the regulations including the industry EICC code of conduct (<http://www.eicc.info>) and source our material from accountable, responsible sources.

All of CARDINAL COMPONENTS INC.'s material suppliers have been requested to issue signed Letters of Certification attesting that CARDINAL COMPONENTS INC. Corporation will not receive Tantalum, Tin, Gold and Tungsten made from illegally mined minerals in the Democratic Republic of Congo.

This policy and certification process is being implemented for the above listed conflict minerals. CARDINAL COMPONENTS INC. will immediately discontinue doing business with any supplier found to be knowingly purchasing materials which directly or indirectly finance or benefit armed groups in the Democratic Republic of the Congo or adjoining countries. CARDINAL COMPONENTS INC. will continue to work through the EICC, ECA and TIC towards the goal of greater transparency in the supply chain.



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**Summary of activities to develop a transparent supply chain.**

CARDINAL COMPONENTS INC. supports both EICC and TIC committees working with the International Tin Research Industry ("ITRI") to identify and implement a system within the DRC and adjoining countries to provide an approved and legal method to allow non-conflict materials to enter the supply chain.

CARDINAL COMPONENTS INC. supports Senators Durbin, Brown, and Brownback in a Washington D.C. on the industry efforts to develop a transparent supply chain.

CARDINAL COMPONENTS INC. initially will rely on certifications from its material suppliers to supplement our due diligence of conflict mineral suppliers.

CARDINAL COMPONENTS INC. is aware of the section 1502 "Conflict Minerals" of the US Financial Reform Bill HR 4173 and will comply with all reporting requirements.

CARDINAL utilizes the ENG FORM :326, from source: 2011 Electronic Industry Citizenship Coalition, Incorporated and Global e-Sustainability Initiative to support its certification procedures.

Sincerely

Cardinal Components Quality Department