

Conflict Materials Statement

This statement is in regards to the purchasing and use of raw materials, and the Dodd-Frank Act, specifically section XV.

Staco Systems is aware of the Act and the laws that will follow with regards to “conflict materials” that may originate from the Democratic Republic of Congo and its neighboring countries. Staco Systems supports the Act and understands the importance of this issue in view of the well documented conflicts and events in the region. Also, Staco Systems does not support the use of or the purchasing of these minerals within our components or product from the DRC and its neighboring countries.

Staco Systems expects our suppliers to comply with the Electronic Industry Code of Conduct and to only source materials from environmentally and socially responsible suppliers. In support of this, Staco Systems expects our suppliers to continuously monitor both direct and indirect supply chains to avoid procurement of materials from conflict regions, and to be forthright in sharing compliance information with Staco Systems.

Additionally, Staco Systems suppliers must:

- Comply with all national and other applicable laws and regulations, and require their suppliers do the same (including labor agencies);
- Adopt sound human rights practices and treat workers fairly with dignity and respect;
- Provide a safe and healthy working environment for their workers;
- Conduct business operations in a way that protects and sustains the environment;
- Maintain management systems that measure, improve and communicate their company's labor, health & safety, environmental performance, and uphold the highest standards of ethics.

As more information becomes available regarding due diligence criteria, Staco Systems will contact our Vendors/Manufacturers to provide documentation stating that the raw materials do not come from the DRC or its neighboring countries, thus making Staco Systems compliant with the Dodd-Frank Act.