

CONFLICT MINERALS POLICY STATEMENT

Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act aims to prevent the use of certain “conflict minerals” that directly or indirectly finance or benefit armed groups in the Democratic Republic of the Congo (DRC) or adjoining countries. Conflict minerals currently defined under the rule include gold, as well as, cassiterite, columbite-tantalite, and wolframite, and their derivatives tin, tantalum, and tungsten.

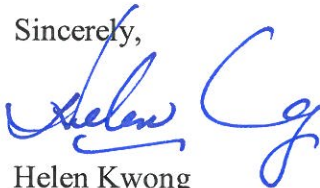
Companies publicly traded in the U.S. must determine if any of their products contain tin, tantalum, tungsten or gold. If present, companies must determine the source of these substances. They are also required to submit an annual conflict minerals declaration to the U.S. Securities and Exchange Commission (SEC).

BEMA is committed to the efforts to end human suffering and environmental impacts associated with mining in the DRC. Although BEMA is not a publicly traded company and is not required to report to the SEC, we strive to support our customers in meeting their legislative and regulatory requirements.

Tracing the origin and chain of custody of minerals throughout a global supply chain is a complex process. BEMA is working with our suppliers to determine if any products we purchase contain conflict minerals. BEMA will compile the data it receives and make it available to our customers.

BEMA does not purchase or process any metals as raw materials and is not an original equipment manufacturer. BEMA will not knowingly purchase products that contain conflict minerals.

Sincerely,



Helen Kwong
President
BEMA Electronics, Inc.