



September 5, 2007

BUSINESS CONTINUITY PLANNING

Q-Tech Corporation was formed in 1972 with the objective of providing state-of-the-art hybrid crystal oscillators and is continuing with that philosophy today. We at Q-Tech recognize that we must attempt to protect the interests of the employees, customers and other stakeholders from the effects of a variety of natural or man-made occurrences. To achieve this goal, we have established a comprehensive Business Continuity Plan.

This **Business Continuity and Crisis Management Plan** (QPP 501) includes the identification of foreseeable risks, an assessment of the qualitative and quantitative impact of those risks on a prioritized basis, and the development of effective mitigation strategies to ensure the protection of health and safety, the environment, and the continuity of our business. To implement this program, we have established teams of key personnel with varying knowledge and skills. These key people maintain off-site copies of this procedure and they have been trained in its application. A list of these key personnel, their emergency functions, and contact information is also maintained and distributed to all by the Management Team Coordinator for off-site storage. Through the three phases of Business Continuity Planning -- Emergency Response, Crisis Management, and Business Recovery Planning -- Q-Tech Corporation is taking the steps necessary to ensure the continuity of its ability to support all of the employees, customers and other stakeholders in both the short and long term.

For more specific information or a copy of the Plan (QPP 501) contact the Sales Department at Q-Tech Corporation at Sales@q-tech.com or by telephone.

**In case of a major disaster suspected to affect Q-Tech Corporation:
CALL 310-836-7900**

As soon as area telecommunications are reestablished, this number will contain a message with further instructions for reestablishing contact.

Richard Taylor
Executive Vice President and CFO