

Whistleblower Policy

It is the policy of IEC Electronics that all employees are encouraged to report either orally or in writing all evidence of a harmful violation by another employee that may constitute illegal activity and business conduct that damages the Company's good name, business interests, and its relationships with shareholders, suppliers, residents, and the community at large. A "Harmful Violation" includes the following:

- Violations of law, including any rule of the Securities and Exchange Commission, federal laws related to fraud against the Company's shareholders, and the laws and regulations of any jurisdiction in which the Company operates;
- Violation of Company policies and statutory or other requirements for good corporate governance;
- Improper accounting entries, violations of internal accounting controls or improper auditing matters
- Any attempt to conceal a potential Harmful Violation or evidence of a potential Harmful Violation or;
- Any Retaliation for any report, complaint, allegation or other disclosure made pursuant to this policy.

1. General Policy

Any person who in good faith makes a disclosure pursuant to this policy with respect to a Harmful Violation is referred to as a "Whistleblower" and is protected from any retaliation by the Company. "Good Faith" means that the employee has a reasonably held belief that the disclosure made by the person is true and has not been made either for personal gain or for any ulterior motive.

The Company notes that Sections 806 and 1107 of the Sarbanes-Oxly Act of 2002 provides certain legal protection to whistleblowers. Under Section 806, the Company and its officers, employees, vendors, suppliers, and agents cannot discharge, demote, suspend, threaten, harass, or in any other manner discriminate against employees who provide information in investigations into certain types of violations of the securities laws and regulations, or who file proceedings relating to similar violations.

2. Purpose of the Policy

The Company has adopted this policy in order to:

- Cause harmful violations to be disclosed before they can disrupt the business or operations of the Company, or lead to serious loss,
- Promote a climate of accountability with respect to Company resources, including its employees and
- Ensure that no employee should feel at a disadvantage in raising legitimate concerns.

The policy provides a means whereby employees can safely raise, internally and at a high level, serious concerns and disclose information in good faith about harmful violations. This policy does not apply to all grievances, such as those related to terms of employment or those concerns that are addressed by the Company's policies on discrimination and harassment.

3. Whistleblower Protection

This policy and the related procedures offer protection from retaliation with respect to matters that are, or could give rise to Harmful Violations, provided the Disclosure is made:

- In Good Faith;
- In the reasonable belief of the individual making the disclosure that the conduct or matter covered by the disclosure could give rise to a Harmful Violation, and
- Pursuant to the procedures in Section 7 below.

4. Confidentiality of Disclosure.

The Company will treat all disclosures by Whistleblowers as confidential and privileged to the fullest extent permitted by law. If such confidentiality results in the inability to conduct a fair investigation or law requires disclosure, the employee making the disclosure will be informed in advance of his being identified with the disclosure. When disciplinary action is involved against any individual following a disclosure, the Company will normally require the name of the person making the Disclosure to be disclosed to the person subject to such proceedings.

5. Unsubstantiated Allegations

If an employee makes a disclosure in good faith pursuant to this policy and any facts alleged are not confirmed by subsequent investigation, no action will be taken against the Whistleblower. In making a Disclosure, all individuals should exercise due care to ensure the accuracy of the information disclosed. If after investigation, a matter raised under this procedure is found to be without substance and to have been made for malicious or frivolous reasons, the person making the disclosure could be subject to disciplinary action.

6. Follow-up

A report of all substantial disclosures and any subsequent action taken will be made to the Chairman of the Audit Committee in detail, where the disclosure relates to an issue or matter within its purview and in summary in all other cases.

The conclusion of any investigation will be communicated to the person or persons against whom the disclosure is made and to the person making the disclosure.

7. Procedure

7.1 Disclosures made under this policy must be submitted in one of the following ways:

- a. To the Director of Human Resources
- b. Directly to the Chief Financial Officer
- c. By using the Company's anonymous "Whistleblower Hotline" at (315) 332-4555

Upon receiving a disclosure, the person receiving such disclosure shall immediately deliver a copy of the disclosure to the Chief Financial Officer, if not submitted directly, and if appropriate to Outside General Counsel. A log of disclosures as well as a separate file for each disclosure shall be maintained by outside General Counsel, which a file shall be maintained in a secure location to protect the confidentiality of the disclosure. Complaint forms (sample attached) are recommended for use by persons receiving disclosures and/or the outside general counsel in documenting matters covered by disclosures. General counsel will be used as appropriate to advise on disclosures as to the proper response, such as but not limited to, prompt referral to the Audit Committee, commencement of an investigation, and/or communication with the Whistleblower.

7.2 Response to disclosures should be expected no more than two weeks after the disclosure, unless the situation warrants a quicker reply in which case the person making the disclosure shall detail those conditions as part of his initial disclosure and suggest expedited treatment. If on preliminary examination the concern, issue or facts raised or alleged in any disclosure are judged to be wholly without substance or merit, the matter shall be dismissed and the Whistleblower informed of the decision and the reasons for such dismissal.

7.3 An individual who has made a disclosure who is not satisfied with the response after following the procedure set out in Section 7.1 or who has not received a response in the time period contained in Section 7.2 may invoke this Section. The person with whom the disclosure was originally directed should be contacted, and the disclosure shall thereafter be directed to the Chairman of the Audit Committee for preliminary investigation.

7.4 Disclosure that relates to the alleged conduct of a director or executive officer of the Company shall be referred to the Chairman of the Audit Committee for investigation. The Audit Committee, upon review, may retain independent counsel to investigate the facts and allegations contained in

such disclosure as well as in all cases where a disclosure contains allegations of any accounting or financial reporting irregularity or impropriety, whether or not the allegation implicates an executive officer or director.

7.5 All disclosures received by means of the Whistleblower hotline shall be confidential as provided in this policy. The identity of the person making the disclosure will not be disclosed to any other person unless that person consents to disclosure of his identity, disclosure is required by law or to conduct a proper investigation.

8.0 Website Publication

This policy shall be posted on the Company's website.

9.0 Annual Review and Reporting

A report will be submitted quarterly to the Chairman of the Audit Committee of (I) the number of disclosures made, (ii) the number of investigations commenced in response to disclosures, (iii) the number of wrongdoings discovered, and (iv) all disciplinary actions taken in response to matters discovered through disclosures. The Chairman of the Audit Committee will review this policy annually after consultation with the senior compliance officer, taking into account the effectiveness of the policy in promoting proper disclosure, but with a view to minimizing the opportunities to cause improper investigations.

Effective: July 22, 2004

IEC ELECTRONICS - NEWARK, NY

POLICY MANUAL

Whistleblower Policy

Policy #1.8

EXHIBIT A

COMPLAINT FORM

Name: _____

Tel: _____

Department: _____

E-mail: _____

Supervisor: _____

Type of Violation: Legal Accounting/Auditing Retaliation

Date Individual became aware of potential violation: _____

Violation is: Ongoing Completed Unclear whether ongoing or completed

Department suspected of violation: _____

Individuals suspected of violation: _____

Describe all of the relevant facts of the violation: _____

How did the Individual become aware of the violation: _____

Steps taken by Individual prior to contact: _____

Who, If anyone, may be harmed or affected by the violation? _____

If the violation is legal, estimate the amount of loss to the Company as a result of the violation:

Actual _____ Potential _____

If the violation relates to accounting/auditing matters, estimate the amount of the misreporting and indicate the affected category (or categories) of misreporting:

Amount _____

Category: Assets Liabilities Expenses
 Revenues Valuation Equity

Provide any suggestions for remedying the violation: _____

Do you wish to be contacted by the investigating officers regarding the status of the investigation?

Yes No