UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM SD

Specialized Disclosure Report

Stereotaxis, Inc.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization) 001-36159 (Commission File Number) 94-3120386 (IRS Employer Identification No.)

4320 Forest Park Avenue; Suite 100; St. Louis, MO 63108 (Address of principal executive offices) (Zip Code)

> Karen Witte Duros 314-678-6100

(Name and telephone number, including area code, of the person to contact in connection with this report.)

Check the appropriate box to indicate the rule pursuant to which this form is being filed, and provide the period to which the information in this form applies:

Rule 13p-1 under the Securities Exchange Act (17 CFR 240.13p-1) for the reporting period from January 1 to December 31, 2013.

Item 1.01 Conflict Minerals Disclosure and Report

Introduction

This Specialized Disclosure Report on Form SD ("Form SD") of Stereotaxis, Inc. ("Stereotaxis", the "Company" or "we") for the year ended December 31, 2013, is filed pursuant to Rule 13p-1 under the Securities Exchange Act of 1934 (the "Rule"). Capitalized terms not otherwise defined herein are defined in the Rule.

Stereotaxis designs, manufactures and markets robotic systems and instruments for use primarily by electrophysiologists for the treatment of abnormal heart rhythms know as cardiac arrhythmias. Stereotaxis has determined that certain of our products contain "necessary conflict minerals." This term means that Conflict Minerals as defined in the Rule (columbite-tantalite (coltan), cassiterite, gold, wolframite, or their derivatives, which are limited to tantalum, tin and tungsten, all of which are collectively referred to as "Conflict Minerals") are present in certain products we manufacture or contract to manufacture and are used to achieve the required function, use, or purpose of those products.

Stereotaxis Conflict Minerals Policy

Stereotaxis endeavors to have a DRC conflict free supply chain, and is committed to sourcing products and materials from conflict-free sources. We expect our suppliers to have policies and processes in place to be able to trace the source of their materials and products to ensure that any Conflict Minerals contained in products we purchase from our suppliers do not originate from sources in the Democratic Republic of the Congo ("DRC") or adjoining countries (collectively, "Covered Countries") that directly or indirectly finance or benefit armed groups in the Covered Countries.

Stereotaxis has adopted a Conflict Minerals Policy, which is publicly available on our corporate website at <u>http://www.stereotaxis.com/legal/</u>. Additionally, our Conflict Minerals Policy has been communicated to our suppliers.

Reasonable Country of Origin Inquiry

Stereotaxis conducted a good faith Reasonable Country of Origin Inquiry (RCOI). The RCOI was designed to determine if the necessary conflict minerals used in our products originated in the Covered Countries, or come from recycled or scrap sources. The RCOI consisted of:

- Identification of applicable products, components, and associated suppliers.
- Supplier engagement through contacting applicable suppliers and inquiring about their awareness and knowledge of Conflict Minerals law and
 regulation, inquiring about presence of Conflict Minerals in their products, making them aware of our Conflict Minerals Policy, and requesting
 the supplier provide us with a completed copy of a EICC/GeSI Conflict Minerals Reporting Template. The EICC-GeSI Conflict Minerals
 Reporting Template was created by the Electronic Industry Citizenship Coalition (EICC) and the Global e-Sustainability Initiative as a common
 means for the collection of sourcing information related to Conflict Minerals. This Template is consistent with EICC and GeSI's related activities
 including the Conflict Free Smelter (CFS) Program.
- Follow up with suppliers until such time as the requested data and/or a response was received.
- Review of supplier responses for completeness and credibility and identification of weak or incomplete responses.

Results of Reasonable Country of Origin Inquiry

A total of 213 suppliers and original equipment manufacturers in our direct supply chain were contacted. These suppliers represented the sources for 100% of materials and components purchased for the manufacture or assembly of our products, which either had Conflict Minerals in them or for which we did not know whether the material or component contained Conflict Minerals.

Based on these responses, 46% of the suppliers confirmed that the materials and components supplied to us either do not contain Conflict Minerals, or the Conflict Minerals do not originate in the Covered Countries, and therefore, are conflict-free. The remaining 54% of suppliers responded that they did not know whether the Conflict Minerals contained in the products supplied by them originated in the Covered Countries or did not respond to our RCOI. Many of our direct suppliers have extensive, multi-tier upstream supply chains for the procurement or manufacture of their products. The responses from these suppliers indicated that their own Reasonable Country of Origin Inquiries or Conflict Minerals due diligence efforts are not complete at this time. A substantial majority of such suppliers reported that their company has a Conflict Minerals Policy.

Because many of our suppliers reported uncertainty as to the sources of our necessary conflict minerals, Stereotaxis concluded that such sources are "DRC conflict undeterminable" at this time. Stereotaxis intends to continue its Reasonable Country of Origin Inquiries and due diligence measures to determine the sources of necessary conflict minerals used in our products.

The Company has filed a Conflict Minerals Report as Exhibit 1.02 to this Form SD. The information discussed in this Form SD and the Conflict Minerals Report are available at <u>http://www.stereotaxis.com/legal/</u>. The website and the information accessible through it are not incorporated into this Form SD.

Item 1.02 Exhibit

See Exhibit 1.02 to this Form SD, incorporated herein by reference.

Item 2.01 Exhibits

1.02 Stereotaxis, Inc. Conflict Minerals Report

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the duly authorized undersigned.

STEREOTAXIS, INC. (Registrant)

By: /s/ Karen Witte Duros

<u>May 30, 2014</u> (Date)

Name: Karen Witte Duros Title: Sr. Vice President and General Counsel

Stereotaxis, Inc. Conflict Minerals Report For The Year Ended December 31, 2013

Introduction

This Conflict Minerals Report for Stereotaxis, Inc. ("Stereotaxis", "we," "us," and "our") is for the year ended December 31, 2013 and is presented to comply with Rule 13p-1 under the Securities Exchange Act of 1934 ("Rule"). Several terms used in this report are defined in the Rule and Form SD. Refer to those sources for such definitions. In this report, "necessary conflict minerals" means conflict minerals that are intentionally introduced into the product, and essential to the products purpose or functionality.

In accordance with the Rule, Stereotaxis undertook due diligence measures on the source and chain of custody of the necessary conflict minerals in our products. The purpose of this due diligence was to determine if any of the necessary conflict minerals originated from the Democratic Republic of the Congo ("DRC") or an adjoining country (collectively defined as the "Covered Countries") and may not have come from recycled or scrap sources, to determine whether such products were "DRC conflict free".

This report has not been audited, as allowed under the Rule, which provides that if a registrant's products are "DRC conflict undeterminable" in 2013 or 2014, the Conflict Minerals Report is not subject to an independent private sector audit.

Section 1 – Due Diligence

Stereotaxis has developed a Conflict Minerals program designed to be in conformity with the Organisation for Economic Co-operation and Development Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, 2nd Edition, including the Supplements on Tin, Tantalum and Tungsten and Gold (collectively, the "OECD Guidance"). In the context of the OECD Guidance Stereotaxis is a "downstream company" in the conflict minerals supply chain. Summarized below are the due diligence steps taken in accordance with the OECD Guidance five-step framework:

- 1. Established a strong company management system for Conflict Minerals:
 - a) We established a Conflict Minerals Policy on June 13, 2013 that is consistent with OECD Guidance. The policy has been communicated to our direct suppliers. The policy can be found on our website at http://www.stereotaxis.com/legal/.
 - b) We have an internal cross-functional Conflict Minerals team that oversees the implementation of our Conflict Minerals program. The status of our Conflict Minerals program is reviewed regularly with senior management. We maintain records relating to our conflict minerals program.
 - c) We have a system of controls and transparency over our supply chain, using the industry standard Conflict Minerals Reporting Template ("CMRT"), which is a supply chain survey designed to identify the maturity of our suppliers' conflict minerals programs, as well as the smelters and refiners that process the necessary conflict minerals contained in our products.
 - d) We have informed all our suppliers of our company policy, and our commitment to be conflict free. Where suppliers are unaware of conflict minerals regulations, or have an immature process, we seek to educate them.
 - e) We have a longstanding company-level grievance mechanism whereby anyone can confidentially call or email a concern or report a violation of a policy. This can be found in the Confidential Hot-line section of our website at http://www.stereotaxis.com/legal/.

- 2. Identified and assessed risks in the conflict minerals supply chain:
 - a) We identified conflict minerals risks in our supply chain by:
 - i We identified all our direct suppliers that supply us with products that might have contained conflict minerals.
 - i We conducted a Reasonable Country of Origin Inquiry (RCOI) with all affected suppliers of parts and materials used in products manufactured by Stereotaxis.
 - i We requested our direct suppliers provide us with a completed CMRT, along with evidence of them having an active corporate conflict minerals program/policy.
 - i We followed up with unresponsive suppliers, making multiple attempts to obtain information.
 - i We reviewed CMRT and associated documentation provided by our suppliers for completeness and reasonableness. We categorized each supplier according to the responses they provided.
 - b) We assessed risks of adverse impacts by actively working to discontinue sourcing products from upstream supplier when we identified a reasonable risk that they are sourcing from, or linked to any party committing serious abuses, consistent with Annex II of the OECD Guidance.
- 3. Designed and implemented a strategy to respond to identified risks
 - a) We identified the results of our RCOI, and identified high risk suppliers to senior management.
 - b) We have a risk management plan that includes actively seeking to reduce or eliminate high risk suppliers.
 - c) We have an ongoing risk reduction and management program, which includes ensuring all new future product designs are conflict free, periodically reviewing and updating the conflict minerals status of our existing products, and striving over time to reduce or eliminate non-conflict-free minerals from the supply chain.
 - d) We monitored, and will continue to monitor changes in supplier conflict minerals status, as circumstances change with suppliers and as conflict minerals status ripples through the supply chain to end item manufacturers such as Stereotaxis.
- 4. Carried out independent third-party audit of supply chain due diligence at identified points in the supply chain:
 - a) We comply with Step 4 of the OECD Guidance by encouraging our direct suppliers to purchase from Electronic Industry Citizenship Coalition's (EICC) Conflict Free Smelter (SFC) smelters.
- 5. Report annually on supply chain due diligence:
 - a) We publicly communicated our Conflict Minerals Sourcing Policy on our company website at <u>http://www.stereotaxis.com /legal/</u>.
 - b) We publicly disclosed this Conflict Minerals Report on our company website at http://www.stereotaxis.com /legal/.
 - c) As allowed by the Rule, obtaining an independent private sector audit of this Report was not required.

Section 2 – Product Description

Stereotaxis designs, manufactures and markets the *Epoch* Solution, which is an advanced remote robotic navigation system for use primarily by electrophysiologists for the treatment of abnormal heart rhythms known as cardiac arrhythmias. The *Epoch* Solution is comprised of the *Niobe* ES Robotic Magnetic Navigation System ("*Niobe* ES system"), *Odyssey* Information Management Solution ("*Odyssey* Solution"), and the *Vdrive* Robotic Navigation System ("*Vdrive* system"). The *Niobe* and *Vdrive* systems include sterilized disposable (consumable) components as well as capital equipment.

Stereotaxis's assessment is that the majority of our products contain conflict minerals, and those conflict minerals are necessary to the functionality of the products.

All products are manufactured and distributed from our St. Louis, Missouri facility, from components or end items purchased from our direct suppliers. As a downstream purchaser of items containing necessary conflict minerals, our due diligence processes are based on the necessity of seeking data from our direct suppliers and those suppliers seeking similar information within their supply chains to identify the original sources of the necessary conflict minerals.

Stereotaxis has 213 direct suppliers of components, assemblies, and finished goods that based on our analysis either contain necessary conflict minerals, or for which we did not know if they contained conflict minerals and relied on our direct suppliers to determine this. Of our 213 suppliers, 195 (92%) responded to the RCOI. Of those suppliers, we concluded that 99 (46%) of them provide us with DRC conflict free products. 96 suppliers (45%) indicated on their CMRT's or equivalent documentation that the source of the necessary conflict minerals in products supplied to us are "Uncertain or Unknown". 18 suppliers (8%) did not respond to the RCOI by May 1, 2014. Because a significant percentage of our direct suppliers are unable to determine the origin of the necessary conflict minerals in the products supplied to us, Stereotaxis is unable to determine the facilities (smelters) used to process them, the country of origin, or the mine or location of origin. Therefore our conflict minerals supply chain is "DRC conflict undeterminable", as we are unable to determine the origin of all the necessary conflict minerals contained in our products.