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NOTICE TO: Fort Walton Machining, Inc. Suppliers and Potential Suppliers

SUBJECT: **Conflict Minerals**

The purpose of this letter is to establish the position of Fort Walton Machining, Inc. (FWM) about the use of minerals coming from countries in conflict. Recently, there has been an increased level of awareness of violence and human right violations in the mining of certain minerals from a location described as the “Conflict Region”, which is situated in the eastern portion of the Democratic Republic of the Congo (DRC) and surrounding countries. The U.S. Securities and Exchange Commission (SEC) has adopted rules to implement reporting and disclosure requirements related to “conflict minerals,” as directed by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. The rules require manufacturers who file certain reports with the SEC to disclose whether the products they manufacture or contract to manufacture contain “conflict minerals” that are “necessary to the functionality or production” of those products.

The Electronic Industry Citizenship Coalition (EICC) and the Global e-Sustainability Initiative (GeSI) have requested that companies undertake reasonable due diligence with their supply chain to assure that specified metals are not being sourced from mines in the Conflict Region, which is controlled by non-government military groups, or unlawful military factions. FWM does not directly purchase any Conflict Minerals from any source and does not knowingly procure any product containing Conflict Minerals from the Conflict Region. FWM is committed to the responsible sourcing of “conflict minerals” throughout our supply chain and continual compliance with the underlying SEC rules and regulations surrounding “conflict minerals”.

As a current or potential supplier to FWM, we encourage you to adopt similar practices with respect to Conflict Minerals and to drive those efforts throughout your supply chain to ensure that such metals are being sourced only from (1) mines and smelters outside the Conflict Region, or (2) mines and smelters within the Conflict Region which have been certified by an independent third party as “conflict free.” As part of our continuous improvement efforts for proper flow-down information to our suppliers, we want to ensure that you are aware of this requirement that now forms a part of all FWM purchase orders per our Quality Procedure, SP 7.1.001, Supplier Quality Assurance Requirements and Quality Clauses (see Paragraph W).

Suppliers of metals used in the manufacture of FWM products (specifically gold, tin, tantalum and tungsten) must demonstrate that they understand and support EICC-GeSI actions and will not knowingly procure specified metals that originate from the Conflict Region. Suppliers shall promptly notify Buyer in writing in the event that Supplier is or becomes aware of any reason to believe that the goods are not DRC Conflict Free. To the extent Supplier procures gold, tin, tantalum and/or tungsten from a smelter or refiner for incorporation into the goods, Supplier represents, warrants and covenants that such materials shall be procured solely from one or more of the smelters or refiners appearing on the applicable compliant smelter and refiner list available at www.conflictreesmelter.org.

If you have any questions regarding conflict minerals compliance, please feel free to contact me.

Dan T. Gustafson

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