



August, 22, 2013

To ABC Group supplier partners:

On August 22, 2012, the U.S. Securities and Exchange Commission (SEC) adopted final rules to implement section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which imposes reporting requirements on manufacturers that use conflict minerals. The term "conflict minerals" is used to describe certain minerals such as gold, wolframite, cassiterite, columbite-tantalite and their derivative metals, which include tin, tungsten, tantalum and any other compounds designated by the U.S. Secretary of State that are sourced from mines under the control of parties in the Democratic Republic of Congo (DRC) or the surrounding countries. Tantalum, tin, tungsten, gold and their derivatives are used in numerous automotive components with various applications.

This new U.S. legislation requires all publicly-traded companies to report annually to the SEC whether they use conflict minerals that are "necessary to the functionality or production" of a product that they either manufacture, or contract to be manufactured. The intention is to cut the funding to armed groups that commit violent human rights violations in the DRC.

To comply with this law, ABC Group Inc. is investigating ways to ensure that the parts and assemblies in our products, regardless of where they are assembled or sold, are free from conflict minerals.

It is our intention to ensure that our supply chain provides the cooperation necessary to determine whether their products and assemblies contain conflict minerals. Clear understanding and accurate reporting can only be achieved through both engagement and transparency of the supply chain.

In order to support accurate reporting, suppliers should:

- Determine which parts/assemblies incorporate one or more of the identified minerals or their derivatives;
- Map the supply chains associated with those same parts/assemblies; and
- Engage with its suppliers to identify the smelters used in the supply chain to process the raw materials (or validate the origin of materials as being from recycled/scrap).

In closing, ABC Group Inc. recognizes that it may be difficult for your company to identify the country or mine of origin for the minerals that you use. The new conflict mineral rules went into effect on January 1, 2013. Manufacturers and suppliers are required to report on their conflict minerals usage on a new Form SD, which is to be filed annually by May 31 for the previous calendar year beginning on May 31, 2014. For this reason, we want to make you aware of this issue in advance of the deadline for reporting.

In order to learn more about this new U.S. Legislation and about this subject of Conflict Minerals, please consult the SEC website: <http://www.sec.gov/news/press/2010/201-2010.htm>. You may also want to visit AIAG's Corporate Responsibility website: www.aiag.org for additional information and updates regarding industry collaboration.

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