Statement on Conflict Minerals
CUSTOMER NOTIFICATION BULLETIN

What are conflict minerals?

On July 21, 2010, the United States Congress enacted legislation to respond to a growing public outcry over human rights violations perpetrated by armed groups in the Democratic Republic of Congo and adjoining countries. These armed groups force local populations to engage in mining operations and use the proceeds to consolidate their power over the local people. The products mined in these operations are referred to as “conflict minerals,” and they include the following:

- Cassiterite
- Columbite-tantalite
- Gold
- Wolframite
- Any derivative of the above, and any mineral that the US Secretary of State may later designate in the future.

What law was passed in response?

Section 1502 of the Dodd-Frank Act was intended to provide visibility into the financial interests that support these armed groups. By requiring companies using conflict minerals to disclose their use, its purpose is to dissuade companies from using them. The SEC issued a final rule to implement this requirement on August 22, 2012. This rule applies to “issuers” that manufacture or contract to manufacture products where “conflict minerals are necessary to the functionality or production” of the product. Manufacturers who use necessary conflict minerals from this region are required to engage in reporting and due diligence procedures.

How will Allied Inventory Systems help with your compliance requirements?

Our assistance begins with recognition of the integral role we play in our customers’ supply chains. Although we are not a manufacturer, we are committed to taking all steps necessary to help facilitate our customers comply with their legal requirements. We begin by flowing down all customer-driven requirements we are notified of. Documentation retention and certificate management are built into our ISO 9001:2008 and AS9120 Rev A compliance system, and our standard Terms and Conditions for all purchases with our supply partners require elimination of conflict minerals. We further engage in key supplier and approved supplier audits on a periodic basis. In addition, any compliance documentation required by our customers can be transmitted electronically.

For helpful information about Conflict Minerals, please visit the Electronic Components Industry Association website at: https://www.ecianow.org/industry-issues/conflict-materials/