

Project Management • Machine Shop Services
On-Site Machining • CNC Machining
Welding (NAVSEA/AWS/ASME) • Engineering
Custom Manufacturing • Pump Repairs • Grinding
Shafting Repairs (NAVSEA/ABS) • Fabrication

To: All Customers & Vendors

From: Jacob Brown, Purchasing Department, Collins Machine Works

Subj: Dodd-Frank Conflict Minerals Compliance

To whom it may concern,

As a result of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the Conflict Minerals rules recently adopted by the U.S. Securities and Exchange Commission ("SEC"), many companies, including some of our customers, are required to make disclosures regarding whether "conflict minerals" used to manufacture their products originated in the Democratic Republic of Congo ("DRC") or the adjoining countries (collectively, together with the DRC, the "Covered Countries" are Angola, Burundi, Central African Republic, Congo Republic, Rwanda, Tanzania, Uganda, and Zambia). These "conflict minerals" consist of columbite-tantalite, cassiterite, gold, wolframite, or their derivatives, which are initially limited to **tantalum, tin, and tungsten** (collectively, the "Conflict Minerals").

Although some of our products contain "conflict minerals" as defined above, Artcraft Fabricators Inc. (dba Collins Machine Works) does not purchase raw material that is not "DRC conflict free" (as defined by the applicable SEC rules).

To this end, we perform the following steps to ensure that our supply chain is conflict-free.

- 1. Suppliers that provide raw materials, or produce non-COTS items under contract from Collins Machine Works are required to complete our "Supplier Capability Assessment" (available from www.collinsmachine.net/suppliers). Section five of which contains a conflict minerals questionnaire requiring the vendor to unambiguously state that products either:
 - a. Do not contain conflict minerals
 - b. Contain conflict minerals, but the source of supply does not include the DRC or adjoining countries.
 - c. Contain conflict minerals, but the source of supply is from recycled or scrap sources.
- 2. In addition to the initial questionnaire, DRC conflict-free requirements are included in all contract "Flowdown" or "boilerplate" text for subcontracts on projects in which DRC conflict-free requirements are invoked.
- 3. Lastly, Collins Machine Works now requires that on all applicable orders vendors submit a Certificate of Conformance or other declaration which includes text asserting that the material provided is DRC conflict-free in accordance with applicable SEC rules.

For Questions regarding this policy, please contact Collins Machine Works Purchasing Department at 757.399.7777