



CONFLICT MINERALS REPORTING RESPONSIBILITY & POLICY

Matcor-Matsu is an ardent advocate for the Humanitarian effort to alleviate and end the violent conflict in the Conflict Regions of the DRC and its surrounding neighbor countries. The Matcor-Matsu Group works in conjunction with customers and its supply base to support and enforce the responsible sourcing of Conflict Minerals free product. The Matcor-Matsu Group requires the supply base to use only metals that are compliant with the Conflict Minerals alleviation strategy, in order to ensure that the use of non-compliant metals does not finance further conflict in the Region.

Conflict Minerals

In order to prevent the extreme levels of conflict minerals in the 'Conflict Region' situated in the eastern portion of the Democratic Republic of the Congo (DRC) and surrounding countries U.S. Securities and Exchange Commission ("SEC") adopted final rules to implement reporting and disclosure requirements related to "conflict minerals," The concern is related to the financing of the ongoing conflict in the DRC from the mining and transportation of certain minerals-which include Columbite-Tantalite (Coltan, Niobium, Tantalum), Cassiterite (Tin), Gold and Wolframite (Tungsten) their derivatives or other minerals as designated by the Secretary of State.

In accordance with the new legislation all publically traded manufacturers are required to report **annually** to the Securities and Exchange Commission whether 'conflict minerals' (originate from DRC or an adjoining country) are necessary to the functionality of the product that they either manufacture or contract to be manufactured.

OEM Customers are required to be in compliance with the same.

To ensure compliance with the SEC and OEM requirements the Matcor-Matsu Auto Group is required to request that suppliers under contract with Matcor-Matsu, review, manage and enforce compliance in order to prevent the use of conflict minerals.

This process is required to be completed and maintained by all contracted suppliers without exception, and provided to Matcor-Matsu Group of companies upon request for current Programs on or prior to 31 December 2013.

For all Suppliers commencing initial supply of Existing or New Program Product or Process on or after 1 January 2014 the Conflict Minerals Reporting is required for each Part as a pre-requisite and must be included in the Level 3 PPAP submission without exception.

The EICC Conflict Minerals Reporting Template may be used for submission.

Note: For the purposes of this document "Matcor-Matsu" refers to Matsu Manufacturing Inc. and any of its affiliates and subsidiaries.