

Conflict Minerals

1. Purpose:

- 1.1. The purpose of this document is to develop procedures, instructions, and responsibilities for compliance with the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) as it pertains to vendors and customer requested information.

- 1.1.1. See <http://www.sec.gov/rules/final/2012/34-67716.pdf>

2. Scope:

- 2.1. This procedure applies to all materials in Gowanda's inventory and all materials that are purchased from suppliers where the material composition can be cataloged as "Conflict Minerals".

3. Responsibility:

- 3.1. The responsibility to respond to customer requests for Conflict Mineral inquiries will fall under the Purchasing/Material Manager's role.
- 3.2. The responsibility to ensure compliance with the Dodd-Frank Act for all new and existing vendors will fall under the Purchasing/Material Manager's role.
- 3.3. The responsibility to conduct annual Conflict Mineral reviews every August will fall under the Purchasing/Material Manager's role.

4. Procedure: (Customer Reporting / Inquiries)

4.1. Upon receipt of email correspondence from a customer to the Sales department:

- 4.1.1. The Sales department will direct the customer to the link on Gowanda Electronics' webpage which contains all Conflict Minerals Statements and EICC/GeSi reporting data.

- 4.1.2. The Sales department will direct any further requests to the Purchasing/Materials Manager.

- 4.1.2.1. All documentation and correspondence shall be stored in [\\Gowanda-01\Purchasing\Conflict Minerals](#). Each vendor shall have a folder for document storage.

- 4.1.3. The Sales department will forward continue to direct any follow-up requests to the Purchasing/Materials Manager.

5. Procedure: (New Vendors)

- 5.1. As a part of the new vendor approval procedure, new vendors will be required to create or provide Gowanda Electronics with a Conflict Minerals Statement and their EICC/GeSi data sheet.
- 5.2. The Purchasing/Materials Manager will send an email to the new vendor requesting the required information. The subject line for this email will contain a minimum of the following:
 - 5.2.1. The vendor number. (Preliminary)
 - 5.2.2. The vendor name.
 - 5.2.3. The request number.
- 5.3. Before final approval can be granted to any new vendor, the Purchasing/Materials Manager must certify that the vendor has met the disclosure and reporting standards as they pertain to Conflict Minerals.
- 5.4. Final approval is certified once the Purchasing department adds the vendor to the list of vendors and assigns a vendor number into the AS/400 computer system.

6. Procedure: (Existing Vendors / Annual Auditing)

- 6.1. As part of the requirements to become a new vendor, all vendors must agree to submit to annual reviews. The vendor will respond to an email request to review the documents on file with Gowanda Electronics and respond via email to the Purchasing/Materials Manager no later than the last day of the month of August.
- 6.2. The Purchasing/Materials Manager will send an email to the new vendor requesting the required information. The email will be sent between the 1st and 8th days of the month of September. The subject line for this email will contain a minimum of the following:
 - 6.2.1. The vendor number.
 - 6.2.2. The vendor name.
 - 6.2.3. The request number.
- 6.3. If a vendor has not responded by the 15th of September, the Purchasing/Materials Manager will send a reminder email, containing the same information in the subject line as described in paragraph 6.2.

- 6.4. If a vendor has not responded to Gowanda Electronics by the last day of September, corrective action will be initiated according to paragraph 7 of this document.
 - 6.5. The response from a vendor will be stored in Quality Form QF 7.4-6. This sheet will contain a list of vendors, and when each has responded to the request for information. This will aid the Purchasing/Materials Manager in knowing which vendors have yet to respond.
 - 6.6. All documentation and correspondence shall be stored in [\\Gowanda-01\Purchasing\Conflict Minerals](#). Each vendor shall have a folder for document storage. Documents to be included in the vendor file include:
 - 6.6.1. Conflict Minerals Statements.
 - 6.6.2. EICC / GeSi Reporting Templates.
 - 6.6.3. Email responses for the current review period.
7. Corrective Action(s):
- 7.1. Corrective action will be initiated once a vendor has not certified / submitted documentation to Gowanda Electronics by the last day of September.
 - 7.2. The Purchasing/Materials Manager will send an email informing the vendor that they have missed the review deadline, and the following corrective action system must take effect by the 15th day of October:
 - 7.2.1. After the first deadline failure, vendor will be placed into a “probation” status. Probation status will require approval of purchase from the Purchasing/Materials Manager on any order with a value of \$20,000 or greater. The vendor will remain on probation until conflict minerals status has been reported on time the following year.
 - 7.2.2. After two consecutive deadline failures, the vendor will be removed from the AS/400 computer system, making that vendor unapproved. Any purchases for a part number will go to the second approved vendor, or a new vendor will be found.
 - 7.2.3. After the third consecutive deadline failure, the vendor will be put on review, and purchases can only be approved at the Purchasing/Material Managers’ level.
 - 7.2.4. After four consecutive deadline failures, Gowanda Electronics reserves the right to decide if the vendor shall be reinstated as an approved vendor going forward, or no further business should be given to the vendor.

8. Reporting:

- 8.1. As vendors respond during the review period with updated reports, the information shall be added to Quality Form QF 7.4-6.
- 8.2. Reminder emails shall be sent to all vendors listed on Quality Form QF 7.4-6.
- 8.3. Corrective action emails shall be sent to each vendor not listed as compliant according to QF 7.4-6.
- 8.4. The status of Quality Form QF 7.4-6 will be reported at weekly staff meetings until 100% vendor compliance. The current percentage of vendor compliance will also be reported.
 - 8.4.1. The Purchasing/Materials Manager will email Quality Form QF 7.4-6 to the senior level staff before each staff meeting.