

Conflict Minerals Policy Statement

Conflict Minerals Intro

In July 2010, the U.S. Government signed the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"). Section 1502 of the Dodd-Frank Act requires all US publically traded companies to file disclosures and reports to the U.S. Securities and Exchange Commission related to the use of conflict minerals (tin, tantalum, tungsten and gold) in their products.

<u>Aircraft & Commercial Enterprises</u>

ACE is committed to sourcing responsibly and considers mining activities that fuel conflict as unacceptable. ACE's efforts related to conflict minerals are aligned to the work of the EICC®, Electronic Industry Citizenship Coalition®. The EICC® work includes the conflict minerals reporting template. Because ACE is not a publically traded company the filing of this information is not required to the SEC. However, many of our customers are required to file and so we must do what it can to source responsibly.

Supply Chain

ACE is not a manufacturer or a distributor of raw minerals, such as those included in the Dodd-Frank Act, and so they are not directly purchased by us. As a distributor of thousands of different parts with many different manufacturers, it is a very complex system to track these minerals back to their source. Also as a distributor, we are not able to answer for our manufacturers on sourcing.

Expectations of Our Suppliers

Suppliers should not include in any products sold to Aircraft & Commercial Enterprises any Conflict Minerals that are not DRC Conflict Free;

Suppliers should develop Conflict Minerals policies, due diligence, and management systems that are designed to prevent Conflict Minerals from the DRC from entering the supply chain;

Suppliers are expected to source Conflict Minerals only from sources that are DRC conflict free



Each ACE Purchase Order will contain a statement that says the 4 conflict minerals must come from responsible sources. ACE will not accept parts that are known to contain these 4 minerals from the DRC;

As always with distribution, traceability is critical and our suppliers must work with their suppliers to provide it back to the raw minerals;

There will be times where an EICC® form must be completed and sent to ACE for mineral disclosure

Relationships with our Suppliers

ACE has maintained a great business relationship with our vendor base, some of which have been over 20 years in the making. ACE will use this policy with its vendors to evaluate continued business relationships.

ACE reserves the right to request additional documentation from its suppliers regarding the source of these 4 minerals.

Suppliers who do not reasonably comply with this policy shall be reviewed by ACE's supply chain organization for future business.

Final Statement

ACE fully understands the importance of this issue to its customers and is committed to supply chain initiatives and overall corporate social responsibility and sustainability efforts that work towards a Conflict Free supply chain. We encourage all of our suppliers to likewise support these efforts.

If there are any concerns with our policy, please contact Aircraft & Commercial Enterprises @ (316)788-0400.