

---

---

# ❖ SPC & B Update ❖

---

A Newsletter for Clients of Sharretts, Paley, Carter & Blauvelt, P.C.

September 14, 2012

---

## *SEC Publishes Final “Conflict Minerals” Rule*



In our December 17, 2010, mailing we notified you of the Securities and Exchange Commission’s (“SEC”) proposed new rules requiring disclosure of “use of conflict minerals,” as mandated by the Dodd-Frank Act. On September 12, 2012, the SEC issued its final “conflict minerals” rule. In accordance therewith, public companies must disclose whether they manufacture or “contract to manufacture” merchandise containing conflict minerals originating in the Democratic Republic of the Congo or adjoining countries (The “DRC countries.”)

Conflict minerals are used in a wide variety of products including, but not limited to jewelry, electronics, metal trims and automobiles. The conflict minerals are:

- Tantalum
- Tin
- Tungsten
- Gold

The disclosure requirement is likely to significantly impact companies and their supply chains. In this regard, companies must conduct an origin inquiry to determine whether there are any conflict minerals in their products that either originate in the DRC countries, or are from scrap or recycled sources. (Products whose minerals are from scrap or recycled sources are considered “DRC Conflict Free.”).

For public companies that confirm that the minerals in its merchandise are either not from the DRC countries, or are from scrap or recycled sources, the company needs to file a disclosure form including a brief outline of the country of origin inquiry.

For companies concluding that their minerals are or may be from the DRC countries, not only must they file a disclosure form, but preparation of a Conflict Minerals Report, and/or a private sector audit and certification also may be required.

All companies must file the first disclosure form on or before May 31, 2014 for the period of January 1, 2013 to December 31, 2013. All conflict minerals disclosure information must also be available on the company’s website.

75 Broad Street  
New York, New York 10004  
Phone: 212-425-0055  
Fax: 212-425-1797  
212-742-2180

SHARRETTS, PALEY, CARTER & BLAUVELT, P.C.

[www.spcblaw.com](http://www.spcblaw.com)  
Email: [customs@sharretts-paley.com](mailto:customs@sharretts-paley.com)

1660 L Street, N.W.  
Washington, D.C. 20036  
Phone: 202-223-4433  
Fax: 202-659-3904

---

Finally, there is a two-year transition period during which companies are permitted to report their products as “DRC Conflict Undeterminable” if they cannot determine the source of any relevant conflict minerals. If you have any questions or concerns regarding the use of conflict minerals, or require more detailed information regarding the requisite disclosure requirements, please contact Gail Cumins at [gcumins@spcblaw.com](mailto:gcumins@spcblaw.com), Alli Baron at [abaron@spcblaw.com](mailto:abaron@spcblaw.com) or Donna Shira at [dshira@spcblaw.com](mailto:dshira@spcblaw.com) or call us at 212-425-0055.

---

---