

MEMORANDUM

To: File

From: Steven Hearne
Special Counsel
Office of Rulemaking
Division of Corporation Finance
U.S. Securities and Exchange Commission

Date: November 15, 2010

Re: Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act Regarding Congolese Conflict Minerals

On November 15, 2010, Felicia Kung, Lillian Brown, Steven Hearne, and John Fieldsend of the Division of Corporation Finance met with Kay Nimmo of ITRI, Ltd., Richard Burt of GraviTa, Inc., Raveentiran Krishnan of Malaysia Smelting Corporation, and William Millman of AVX Limited. The participants discussed the Commission's required rulemaking in Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which relates to reporting requirements regarding conflict minerals originating in the Democratic Republic of the Congo and adjoining countries.

Ms. Nimmo submitted the following agenda in advance of the meeting:

We would like to discuss:

- Issues relating to the conflict mineral legislation on international trade patterns, and price including;
- Treatment of stocks and recycled metal;
- The likely reaction in the metals markets to burdensome regulation;
- To provide an overview of supply chain of each metal;
- Current and future due diligence standards such as from the OECD and UN;
- Relation of those standards to the US rules and requirement for harmonization;
- To describe the ITRI and TIC activities on due diligence in the DRC and Rwanda and relation to other international d.d. frameworks;
- To note the relation between ITRI and TIC upstream d.d. activities and the end user smelter verification audit system;
- The technical issues relating to sometimes suggested fingerprinting techniques and loss of traceability at the point of metal production/refining – full traceability from mine to end user is a technical impossibility;
- The likely impact on the region and need for a phase-in approach with the introduction of the rules; timing is a key issue