

## **Conflict Minerals**

Chairman Schapiro –

As the SEC tries to approach a real problem let them try and affect a real solution that will work to its intended goal. The elimination of illegally mined, traded and sold materials into a global economy for financial gain without a human cost.

The actions presented seem to be at the expense and procedural initiatives of many people and companies that are outside the necessary effective loop. In addition to being outside the loop, the magnitude and the level of minerals traded is an incredibly large volume relative to the amount that is trafficked illegally. It's archaic to think that the inability to prove origin should default to 'DRC material'.

Complicated and ambiguous stipulations will be costly, non-controlable and infectious to a global market. This expense will be a burden on the market and will result in an increase in price which will fuel the fire of illegal exploitation.

An additional set of regulations to be managed with added cost to the consuming chain of companies will add another additional hurdle of costs in a very competitive global marketplace.

Cast the boundary around the DRC – use your position with the SEC to work with the legitimate producers to provide secure exit of their products into a global market to support the businessmen and workers of DRC. If the exports are controlled then the system will be self policing

Start with a goal and a future point in time. Mined, manufactured and exported products are history. In the future a secure program and procedure internal to the DRC will result in the elimination of these illegal exits. If exits are discovered use the information and apply penalties to companies that knowingly consumed the "conflict materials" A time frame of future corrective action will serve as a better deterrent than a witch hunt of past actions.

For the most part these minerals are used in primary smelting operations. This represents a much smaller set which do and will use existing internal resources to manage the program. It's a win win for the SEC and the consumers to work together and eliminate a home for these "conflict materials"

While we all agree on the defining the problem let the consumers and producers use their knowledge of the minerals and scrap metals to help direct an action that achieves a result in a very direct and transparent manner.

Regards, Dennis Meyer

