

CONFLICT MINERALS

The following is provided in connection with Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Securities and Exchange Commission Rule 13p-1 and Form SD (17 CFR 240.13p-1; 249.448). Although not itself subject to this SEC rule, Reichhold LLC 2 recognizes that many customers are subject to the rule.

The products currently sold by Reichhold LLC 2 do not contain columbite-tantalite (coltan), gold, wolframite, or their derivatives tantalum and tungsten.

With respect to cassiterite and its derivative tin, the production of certain products utilizes catalysts containing organic tin compounds. Some of the catalyst may remain in the Reichhold product.

In developing the conflict mineral rule, the SEC explicitly addressed the issue of organic tin compounds. The SEC intentionally limited the scope of the rule's coverage to a very narrow class of derivatives of cassiterite. We believe that, under the SEC definition, organic tin compounds are not within the scope of the rule. See, 77 Fed. Reg. 56284-5 (Sept. 12, 2012). The SEC reinforced its position in papers filed in the lawsuit *National Association of Manufacturers et al. v. Securities and Exchange Commission*, No. 12-1422 (DC Cir. 2013) See, Initial Brief of the Securities and Exchange Commission, Respondent at p. 50 Fn. 7.

However, we are also aware that, notwithstanding the SEC position, a number of companies define "tin" to include organic tin compounds.

To address concerns of these companies, inquiries were made to all three current organic tin compound suppliers. Here are the essential parts of the supplier responses: (1) "For our tin products, we use sources of raw materials from countries other than those specifically mentioned in the rule."; (2) "Based on our inquiry to our suppliers, [Supplier] states that the tin-based products that it manufactures do not contain Conflict Minerals."; (3) "As a result of these efforts, the Tin used in [Supplier's] products produced out of our [Supplier Facility] have been found to be sourced from a company who sources its supply from Conflict Free Smelters, as determined by the EICC."

We continue to monitor our sources of organic tin compounds, and will post any material changes in the situation.

The policy of Reichhold LLC 2 is to avoid the inclusion of Conflict Minerals in its products.

December 16, 2015