

To: All Valued Suppliers of Ferguson Enterprises, Inc.

Re: H.R. 4173, the Wall Street Reform and Consumer Protection Act (the "Act")

Date: October 22, 2013

As you are no doubt by now aware, recent federal legislation embodied in the above-referenced Act has begun to impact many of the U.S. Industries with which Ferguson is engaged.

The Act imposes Securities and Exchange Commission ("SEC") reporting requirements relating to "Conflict Minerals." Under the Dodd-Frank Act, the following minerals and their derivatives are defined as conflict minerals:

- 1. Columbite-tantalite (Coltan) → refined into tantalum (Ta),
- 2. Cassiterite → refined into tin (Sn),
- 3. Wolframite → refined into tungsten (W)
- 4. Gold (Au)

Specifically, the Act requires that all publicly-traded manufacturing companies report annually to the SEC whether they use Conflict Minerals that are necessary to the functionality or production of a product that they manufacture or contract to have manufactured, and which originate from the Democratic Republic of Congo (the "DRC") or an adjoining country (Angola, Burundi, Central African Republic, Congo Republic, Rwanda, Sudan, Tanzania, Uganda and/or Zambia).

To this end, and in anticipation of the SEC issuing final rules relating to the reporting requirements of the Act, Ferguson Enterprises, Inc. (Ferguson) is requesting that by return written submission, your company certify that:

- 1. The goods or parts that you supply Ferguson do not contain one or more of the identified Conflict Minerals;
- 2. The sub-suppliers from whom you purchase goods/parts do not contain one or more of the identified Conflict Minerals; or
- 3. If the goods/parts that you supply Ferguson do contain one or more of the identified Conflict Minerals, they either do NOT originate from the DRC or an adjoining country.

If you determine that the goods or parts you supply Ferguson either directly or indirectly do in fact contain Conflict Minerals, or that your review of your supply chain is inconclusive as to the origin of the minerals at issue, please so advise immediately so that we can determine next steps as "best practices" under this new Act are established.

Thank you for your anticipated prompt response to this request.