

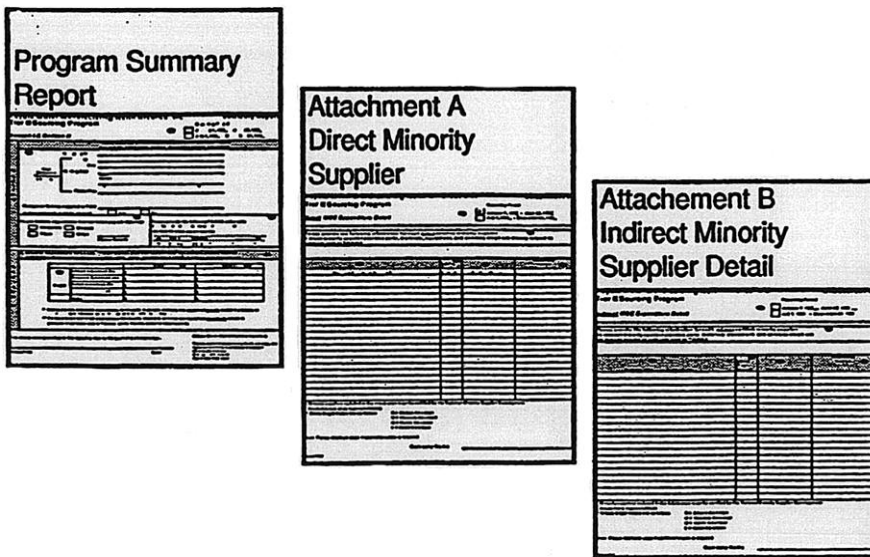
The Practical Implementation of the Supplier Diversity Program

Reporting Requirements:

1. Documents

A key element in the Supplier Diversity Program is complete and accurate reporting of you company's minority expenditures. Exhibit II.1 illustrates the documents that must be submitted to meet FPI's Supplier Diversity Program reporting requirements.

Reports



It is critical that all minority supplier expenditure information be reported using current FPI report forms. To ensure information consistency, other reporting formats will not be accepted. Please contact FPI Supplier Diversity Coordinator if you have questions regarding the current format.

2. Timing

Reporting is conducted on a semi-annual basis. Reporting periods and due dates are as follows:

Reporting Period Report Due Date

January – June July 1st

July – December January 1st

3. Certification

All MBE's included in your report must:

- Meet the National Minority Supplier Development Council's (NMSDC) definition of a minority-owned business, and
- Be certified by one of NMSDC's regional affiliated councils.

NMSDC's definition of a minority-owned business is as follows: A minority-owned business is a company that is at least fifty-one percent owned, managed and controlled by one or more minority persons.

For the purpose of this definition, a minority person is:

Only the following are recognizable.

- African American
- Hispanic American
- Native American
- Asian American

(The term Native American included American Indians, American Eskimos, American Aleuts, and Native Hawaiians. The Term Asian Pacific American includes United States Citizens whose origins are from Japan, China, the Philippines, Vietnam, Korea, Samoa, Northern Marinas, Laos, Cambodia, or Taiwan. The term Asian Indian American includes United States citizens whose origins are from India, Pakistan, or Bangladesh.)

4. Summary Report Calculations

- 1) Add the total for 1 and 2
- 2) Add the total for 3 and 4
- 3) Divide these numbers
- 4) Multiply by 100
- 5) This will give you the % of your current achievement.

FRANKLIN PRECISION INDUSTRY, INC. (FPI) SUPPLIER DIVERSITY PROGRAM

SUMMARY REPORT / ATTACHMENT A & B REPORTING INSTRUCTIONS

Reporting Period:	Mark appropriate box for reporting with an "X" and fill in corresponding year. Please note this report is due by the 1st of the month following the reporting period. Reports are due January 1st and July 1st.								
Company Contact Information:	Provide the information for your Company's Supplier Diversity Program contact (i.e. the person completing/compiling this data). This contact information will be used when FPI has a question regarding the information provided in the report. Please note that FPI will continue to utilize the current contact, until notified of a change, for all direct communication.								
Organization Level:	<p>Please use the diagram both to assist you in determining the level within your organization for which you are reporting.</p> <div style="text-align: center;"> <pre> graph TD Corporate[Corporate] --> Division[Division] Division --> Plant1[Plant] Division --> Plant2[Plant] </pre> </div>								
Ethnic Origin:	Ethnic origins as defined by NMSDC are as follows: African American (A), Hispanic American (H), Native American (N) and Asian American (I).								
Total Direct Current MBE Purchases:	Include total current MBE part, material and service expenditures directly applied to products or services sold to FPI. Please show amounts in actual dollars.								
Total Indirect Current MBE Purchases:	Include total current MBE material, service and equipment expenditures which are not directly applied to products or services sold to FPI.								
Minority Company Name / State:	Provide company name and state in which they are located.								
Ethnic Origin Code:	<table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td>African American</td> <td>A</td> </tr> <tr> <td>Hispanic American</td> <td>H</td> </tr> <tr> <td>Native American</td> <td>N</td> </tr> <tr> <td>Asian American</td> <td>I</td> </tr> </table>	African American	A	Hispanic American	H	Native American	N	Asian American	I
African American	A								
Hispanic American	H								
Native American	N								
Asian American	I								
NMSDC Certification ID #:	Indicate the Certification ID number of the MBE. This number will be used to verify that the MBE is certified by one of the NMSDC regional affiliated councils.								
Product/Service:	Indicate the product or service that you are purchasing. For both Direct and Indirect.								
Reporting Period Expenditure:	List total payments made to MBE suppliers for reporting period indicated. Please allow all amounts in actual dollars.								
Current Achievement:	Calculate and provide your company's current status in meeting FPI's 5% required target.								

Check one box of Reporting Period

Section I, Section II, Section III

Jan 1, _____ - June 30, _____
 Jul 1, _____ - Dec 31, _____

I. Company Information Please complete the following information about your organization.

SECTION I

Company Name: Franklin Precision Industry
 Name: Angie Rogers
 Title: Purchasing Assistant
 Mailing Address: 3220 Bowling Green Road
PO Box 369
Franklin , KY 42134
 Phone: 270-598-4375
 Fax: 270-586-0180
 E-mail: arogers@fpik.com

FPI Supplier Code: FPI 001

Product supplied to Franklin Precision Industry: _____

Is your Company Minority Owned? Yes No

Please indicate Organization level for which you are reporting:

Corporation Division Plant Other _____

Total FPI Direct Purchases: \$1,100.00 Total FPI Indirect Purchases: \$12,000.00

Reported total direct & indirect purchases for the indicated time period.

II. Minority Expenditure Summary Please provide your total FPI Expenditures with certified minority business enterprises (MBE's) categorize by ethnic origin.

SECTION II

Ethnic Origin		DIRECT*		INDIRECT**	
		CURRENT		CURRENT	
African American (A)		\$500.00		\$3,000.00	
Hispanic American (H)		\$200.00		\$5,000.00	
Native American (N)		\$100.00		\$4,000.00	
Asian American (I)		\$300.00		\$0.00	
Total		\$1,100.00		\$12,000.00	

Note: Please report all amounts in actual dollars for the indicated time period
 * Please provide all direct MBE expenditures for all parts, materials, services directly applied to products or services sold to FPI
 ** Please provide all indirect materials, services and equipment FPI expenditure indirectly applied to products/services sold to FPI
 These expenditures represent FPI purchases that are not customer specified.

III. FPI Minority Expenditure Achievement utilize information reported above in Sections I & II.

This section must be completed to calculate and understand current achievement.

SECTION III

1 Total Franklin Precision Industry Current Certified MBE Direct Purchases: \$1,100.00
 2 Total Franklin Precision Industry Current Certified MBE Indirect Purchases: \$12,000.00
 3 Total Current Direct Purchases: \$57,000.00
 4 Total Current Indirect Purchases: \$125,000.00

$$= \frac{\$13,000.00 (1+2)}{\$182,000.00(3+4)} \times 100 = \%$$

Provide current achievement: **7.14%**

The information provided in this report is true to the best of my knowledge.

Name/Title _____ Date: _____

Please fax, mail or e-mail complete reports to:
 Franklin Precision Industry
 Angie Rogers
 3220 Bowling Green Road
 PO Box 369
 Franklin, KY 42135

