

COUNTERFEIT PARTS MITIGATION PROCESS

1.0 Definition of terms:

1.0.1 The term “shall”, “will” and “may” are used with specific intent thought-out these documents and will observe the following rules:

- 1.1** Requirements defined using “**shall**” in the text are mandatory requirements and are considered to be binding and require formal verification. Departure from such a requirement is not permissible without formal agreement between Subcontractor and CSPI.
- 1.2** Requirements defined using “**will**” in the text expresses a provision or service by CSPI or an intention by CSPI in connection with a requirement of this document. The subcontractor is implicitly authorized to rely on such service or intention.
- 1.3** The word “**may**” in the text expresses a permissible practice or action. It does not express a requirement of this document.

2.0 Seller’s Counterfeit Part Risk Mitigation Process

(a) The Seller shall ensure that only genuine, new, and Unused materials, and not Counterfeit Items, are used in products delivered hereunder. Seller shall maintain a Counterfeit Item risk mitigation process internally and with its Suppliers in compliance with the requirements set forth herein and shall provide evidence of said process to CSPI upon request. No other material is to be used unless approved in advance in writing by CSPI. To further mitigate the possibility of the inadvertent use of Counterfeit Items, the Seller may only purchase components and parts procured directly from Original Component Manufacturers (OCMs), through the OCM’s franchised distribution chain or, if through an Independent Distributor, Broker, or Broker Distributor, Seller must make available to Buyer OCM documentation that authenticates Supply Chain Traceability of the components to that applicable OCM. If the required items cannot be procured from these sources, use of product without appropriate traceability documentation from these sources is not authorized unless first approved in writing by Buyer. The Seller must present complete and compelling support for its request and include in its request all actions to ensure the parts thus procured are authentic parts.

(b) Seller shall maintain a method of item traceability that ensures tracking of the supply chain back to the manufacturer of all goods being delivered under this order. The traceability method shall clearly identify the name and location of all supply chain intermediaries from the manufacturer to the direct source of the product for the Seller. The manufacturer shall also include the manufacturer's batch identification for the item(s) such as date codes, lot codes, serializations, or other batch identifications

This document is an integral part of the purchase order. The revision in effect at the time the purchase order was placed applies.