



COUNTERFEIT PARTS PREVENTION STATEMENT: (a) For purposes of this Agreement, (i) "Counterfeit Parts" shall mean a part, component, module, or assembly whose origin, material, source of manufacture, performance, or characteristics are misrepresented, including, but not limited to, (i) parts that have been (re)marked to disguise them or falsely represent the identity of the manufacturer, (ii) defective parts and/or surplus material scrapped by the original manufacturer, and (iii) previously used parts pulled or reclaimed and provided as "new", (ii) "authentic" shall mean (A) genuine, (B) from the legitimate source claimed or implied by the marking and design of the product offered, and (C) manufactured by, or at the behest and to the standards of, the manufacturer that has lawfully applied its name and trademark for that model/version of the material, and (iii) "Independent Distributor" shall mean a person, business, or firm that is neither authorized nor franchised by an Original Component Manufacturer ("OCM") to sell or distribute the OCM's products but which purports to sell, broker, and/or distribute such OCM products. Independent Distributors are also referred to as unfranchised distributors, unauthorized distributors, and/or brokers. (b) Seller represents and warrants that only new and authentic materials are used in Goods required to be delivered to Buyer under any Order and that the Goods delivered contain no Counterfeit Parts. No other material, part, or component other than a new and authentic part is to be used unless approved in advance in writing by Buyer. To further mitigate the possibility of the inadvertent use of Counterfeit Parts, Seller shall only purchase authentic parts/components directly from the original equipment manufacturers ("OEMs")/OCMs of such Goods or through the OEM's/OCM's authorized distribution chain. Seller must make available to Buyer, at Buyer's request, OEM/OCM documentation that authenticates traceability of the components to that applicable OEM/OCM. Purchase of parts/components from Independent Distributors is not authorized unless first approved in writing by the Buyer. Seller must present complete and compelling support for its request and include in its request all actions to ensure the parts/components thus procured are legitimate parts. Buyer's approval of Seller request(s) does not relieve Seller's responsibility to comply with all requirements contained herein, including the representations and warranties in this section. A breach of this paragraph/clause or any subparagraph herein shall be considered a material breach of these General Terms and Conditions of Purchase or any Order. (c) In the event that Goods delivered under these General Terms and Conditions of Purchase or any Order constitute or include Counterfeit Parts, Seller shall, at its expense, promptly replace such Counterfeit Parts with genuine Goods conforming to the requirements of these General Terms and Conditions of Purchase or any Order. Notwithstanding any other provision in these General Terms and Conditions of Purchase or any Order, Seller shall be liable and indemnify Buyer for all costs relating to the removal and replacement of Counterfeit Parts, including without limitation Buyer's and higher tier customer's costs of removing Counterfeit Parts of installing replacement materials and of any testing necessitated by the reinstallation of Goods after Counterfeit Parts have been exchanged. The remedies contained in this paragraph are in addition to any remedies Buyer may have at law, equity or under other provisions of these General Terms and Conditions of Purchase or any Order. DCO Terms and Conditions of Purchase | 041620 7 (d) Seller shall maintain a documented system (policy, procedure, or other documented approach) consistent with AS6174 "Counterfeit Material: Assuring Acquisition of Authentic and Conforming Material" or AS5553 "Counterfeit Electronic Parts: Avoidance, Detection, Mitigation, and Disposition" as applicable, which includes training of personnel, inspection and testing of electronic parts, counterfeit parts proliferation, traceability, and use of OEMs/OCMs or provides for prior notification and customer approval before parts/components are procured from sources other than OEMs/OCMs or through the OEM's/OCM's authorized distribution chain. Seller shall provide copies of such documentation for its system for Buyer's inspection upon Buyer request. (e) Seller shall flow the requirements of this clause to its subcontractors and suppliers at any tier for the performance of any Order. If Seller is providing electronic components/devices only, the following certification applies: "Certification of Origin of Goods: Acceptance of any Order constitutes confirmation by Seller that it is either the OEM, OCM, or a franchised or authorized distributor of the OEM/OCM for the Goods herein procured." Seller further warrants that OEM/OCM acquisition documentation that authenticates traceability of the components to that applicable OEM is available upon request. If Seller is not the OEM/OCM or a franchised or authorized distributor, Seller confirms by acceptance of these General Terms and Conditions of Purchase or any Order that the Goods supplied to Buyer have been procured from the OEM/OCM or a franchised or authorized distributor of the OEM/OCM. The Seller further warrants that OEM/OCM acquisition traceability documentation is accurate and available to Buyer upon Buyer's request. A breach of this section herein shall be considered a material breach of these General Terms and Conditions of Purchase or any Order.

T.A. Afano

For the company

Issue Date: 4 January 2020