



## Counterfeit Parts Risk Mitigation Plan –

### 1.0 Purpose

- 1.1 To define the process and responsibilities for requirements associated with counterfeit product avoidance. SSI Cable Corporation shall maintain a Counterfeit Item risk mitigation process internally and with its suppliers using SAE AS5553 as a guide.

### 2.0 Reference

- 2.1 SAE AS5553: Counterfeit Electronic Parts Avoidance, Detection, Mitigation and Disposition

### 3.0 Definitions

- 3.1 **Counterfeit Item** – is defined to include, but is not limited to;
  - 3.1.1 An item that is an illegal or unauthorized copy or substitute of an Original Equipment Manufacturer (“OEM”) or Original Component Manufacturer (“OCM”) item;
  - 3.1.2 An item that does not contain the proper external or internal materials or components required by the OEM or OCM or that is not constructed in accordance with OEM or OCM design, but is represented as such;
  - 3.1.3 An item or component thereof that is used, refurbished or reclaimed but the Seller represents as being a new item;
  - 3.1.4 An item that has not successfully passed all OEM or OCM required testing, verification, screening and quality control but that Seller represents as having met or passed such requirements; or
  - 3.1.5 An item with a label or other marking intended, or reasonably likely, to mislead a reasonable person into believing a non-OEM or OCM item is a genuine OEM or OCM item when it is not.
- 3.2 **Original Component Manufacturer (OCM), Original Equipment Manufacturer (OEM)** – Companies which design parts and products, hold Intellectual Property Rights, manufacture (or consigns manufacturing), and may authorize or license the sale of the product to other companies, typically an Authorized Distributor.
- 3.3 For the purposes of this plan, the term Original Equipment Manufacturer (OEM) is used interchangeably for both.
- 3.4 **Authorized Distributor** – A distributor with which the OEM has a contractual agreement to stock, repackage, sell and distribute its product lines. Authorized Distributors normally offer the product for sale with full manufacturer flow-through warranty.
- 3.5 **Broker** – A supplier which is not authorized or under the oversight of the part’s OEM. These companies typically do not offer an item with the full manufacturer’s warranty. These companies are also referred to as Independent Distributors, Non-Authorized Distributors, Non-Franchised Distributors or Non-Authorized Suppliers, but they will be referred to as Brokers within this plan.



- 3.6 **GIDEP** - Government-Industry Data Exchange Program (GIDEP) is a cooperative activity between government and industry participants seeking to reduce or eliminate expenditures of resources by sharing technical information. **SSI has been a GIDEP member since 27-SEPT-2012**
- 3.7 **ERAI** – Electronic Resellers Association International (ERAI) is a privately held global trade association that monitors, investigates, reports, and mediates issues affecting the global supply chain of electronics, including suspected Counterfeit and substandard parts.

## 4.0 Procedure

### 4.1 Responsibility

- 4.1.1 The Directors of Quality are responsible for the implementation of this plan.

### 4.2 Engineering

- 4.2.1 SSI does not produce designs; they are supplied by the customer. SSI does verify that material called out do not contain obsolete parts, materials or products.

### 4.3 Supply Chain

- 4.3.1 The purchase of material shall be directly from OEM or from Authorized Distributors.
- 4.3.2 If the use of a Broker is required, they must be authorized Brokers and Customer's written approval shall be obtained to use the Broker and for authentication test/analysis requirements (using AS5553 as a guide).
  - 4.3.2.1 The buyer must first obtain approval from the Purchasing Manager prior to seeking availability of parts from authorized Brokers.
  - 4.3.2.2 Authorized Brokers can be a Customer Approved Broker or a CCAP-101(Counterfeit Components Avoidance Procedures) certified Broker.
- 4.3.3 Customer approval request for the use of a Broker shall be documented and include;
  - 4.3.3.1 A complete and compelling support for any request to procure from sources other than OEMs or OCMs or their Authorized Distributors
  - 4.3.3.2 All actions completed to ensure the parts thus procured are not Counterfeit Items.
  - 4.3.3.3 Results of authentication test and analysis conducted (using AS5553 as a guide).
  - 4.3.3.4 Traceability with identification of all supply chain intermediaries wherever such traceability exists.



- 4.3.3.5 Identification of and traceability to the source for any remarked or resurfaced material.
- 4.3.4 After Customer written approval to use material from a Broker, the material shall be segregated and provide traceability identifiers (i.e. Date Code / Lot Code., Serial number) for all items delivered.
- 4.3.5 Procurement shall flow down requirements(Example- Quality Notes, T&C's, etc..) to suppliers and subcontractors which shall include:
  - 4.3.5.1 Customer Counterfeit Parts requirement.
  - 4.3.5.2 Certificate of Conformance(C of C) requirement which includes as a minimum, the OEM name and address, part number, traceability identification for item(s) such as date codes, lot codes, or serializations.
  - 4.3.5.3 If called out on the PO –Requirements of ANSI/J-STD-002 applies to solder able termination finishes (no pure tin).
  - 4.3.5.4 Tin Whisker mitigation is verified through the manufacturer of the components. I.e. Tyco electronics technical paper #503-1012.

#### **4.4 Quality and Receiving Inspection**

- 4.4.1 Quality shall participate in the Government Industry Data Exchange Program (GIDEP) monitoring and acting on GIDEP reports which affect product delivered to Customers.
  - 4.4.1.1 Electronic Resellers Association International (ERAI) and customer referrals may also be used.
- 4.4.2 When suspect or confirmed Counterfeit part(s) are discovered, Quality shall:
  - 4.4.2.1 Quarantine suspect or confirmed counterfeit parts and ensure suspect counterfeit parts are not delivered to a Customer.
  - 4.4.2.2 Immediately notify affected Customers with the pertinent facts and provide OEM documentation to the Customer that authenticates traceability of the affected parts to the applicable OEM.
  - 4.4.2.3 Issue a GIDEP report.
- 4.4.3 Counterfeit parts shall not be returned to the Customer unless written authorization is provided from the Customer.
- 4.4.4 Receiving Inspection shall review Certificate of Conformances for each item received to compare purchase order requirements, including that the OEM is the same as identified on the purchase order.
- 4.4.5 Receiving Inspection shall review packaging, the physical product (including product markings) and associated documentation for signs of potential counterfeit material including:
  - 4.4.5.1 Manufacturer logos or labels containing miss-spelling, smudged or questionable appearance.



- 4.4.5.2 Obvious signs of poor, substandard or out of control manufacturing processes such as varying component lead lengths, significant differences in identifying markings, ink smears, etc.
- 4.4.5.3 Characteristic measurement results indicating questionable differences from typical product received.
- 4.4.5.4 Uneven top and /or bottom coating of the part, or inconsistent texture or color between top and bottom side coating (mold compound).
- 4.4.5.5 Bent leads or inconsistent lead plating coverage.
- 4.4.5.6 Poor quality part ink or laser marking.
- 4.4.5.7 Chip outs on the package corners which may indicate excessive or careless handling.
- 4.4.5.8 Rough surface texture
- 4.4.5.9 Other signs of variance from typical product received.
- 4.4.6 For material received from a Broker, Receiving Inspection shall perform the following additional requirements;
  - 4.4.6.1 Contact Quality to verify proper authorization was granted.
  - 4.4.6.2 Contact Quality to verify required authentication test/analysis requirements were performed and results approved.
  - 4.4.6.3 The material shall be segregated and provide traceability identifiers (i.e. Date Code / Lot Code., Serial number) for all items delivered.

#### 4.5 Human Resources

- 4.5.1 Quality, Engineering and purchasing employees shall receive training on Counterfeit Parts Avoidance on a yearly basis.

#### Revision History

-	Initial release reviewed by Gwyn Zetah of Raytheon	2/7/13
A	Added note to 3.6, Added 4.3.5.3 and 4.3.5.4	3/19/15