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| Document Name: 814000 Counterfeit Prevention Policy | |  |
| Rev. No. 003 | Date: 06/30/2017 | |
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1. Purpose

This document describes ACI's commitment and process to purchasing only genuine article raw materials and goods to manufacture items driven by customer derived specifications. ACI assures that these programs receive fully traceable, genuine parts which are compliant with ACI and customer-defined quality standards. Awareness of the potential existence of counterfeit parts in the marketplace is the first step in preventing their acquisition and possible introduction into the work stream at ACI.

2. Scope

This procedure only applies to Aviation, Space and Defense (ASD) programs requiring product lot, raw material and component traceability at ACI with additional requirements for a standardized Counterfeit Prevention Policy.

3. Responsibilities and Authorities

Purchasing, sales, engineering and quality personnel as well as other associates deemed as appropriate or required, are responsible to comply with the requirements and processes identified in this document.

Purchasing is responsible to procure the correct raw material(s) and/or defined component part(s) using the applicable authorized requisitioning system from only authorized suppliers as determined by the ACI approved vendor list ("AVL").

Engineering and sales personnel are responsible to ensure the drawing, specification, process, or other scope of work descriptions identify the applicable type, class, style, part number, manufacturer, or other related information so that correct parts and materials are identified and requisitioned.

Receiving employees / receiving quality inspectors are responsible, where required, to examine, inspect, and/or maintain the parts and/or materials and all documentation to identify or mitigate the receipt and/or use of suspect and counterfeit parts.


4. Procedure

ACI sales, engineering and purchasing staff shall maximize the availability of authentic, original, qualified raw materials and parts for applicable programs. Planning, design, and purchasing activities should assess the availability of original or authentic product in support of manufacturing.

Purchasing and other qualified staff shall examine a potential source of supply to assess the risk of receiving counterfeit parts. Assessment may be a survey, audit, supplier questionnaire, review of the supplier quality data and/or the use of other assessment criteria to determine performance. Only qualified suppliers will be added to the ACI AVL.

Purchasing shall reference and / or attach the following statement to each purchase order:

Seller shall not deliver any Products to Buyer that contain any "Counterfeit Parts" as defined in Buyer's Standard Operating Procedure – 814000 Counterfeit Prevention Policy. Seller shall provide Buyer with a Certificate of Conformance clearly representing the materials and/or components sold as original, genuine items and not Counterfeit items. The recording of false, fictitious or fraudulent statements or entries may be punished as a felony under Federal Statutes including Federal Law, Title 18, Chapter 47.

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All materials and/or components received by ACI that qualify under the purview of the Counterfeit Prevention Policy (ASD product) will have product and document inspection by trained purchasing and quality staff to ensure that suspect or counterfeit parts do not make it into the ACI manufacturing work stream. Product suspected of having potential to be counterfeit product shall be quarantined until an investigation can be completed. The investigation team shall be comprised of the QA Manager and designees. Any materials determined to be counterfeit product by the investigation will be marked as “DO NOT USE/COUNTERFEIT PRODUCT” and physically isolated from the manufacturing work stream. These materials will be reported as counterfeit product to both the supplier and GIDEP. Additionally, suppliers may be subject to temporary and/or permanent removal from the ACI approved vendor list.

5. Records

Purchase orders and receiving paperwork related to ACI's purchasing procedures.

6. Definitions

Suspect Part - A part or material in which there is an indication by visual inspection, document review, testing or other information indicating the item may have been misrepresented by the supplier or manufacturer and may in turn be later determined to be a Counterfeit Part.

Counterfeit Part - An unauthorized copy, imitation, substitute, or modified part (e.g., material, part, component), which is knowingly misrepresented as a specified genuine part of an original or authorized manufacturer.

NOTE: Examples of a counterfeit part can include, but are not limited to, the false identification of marking or labeling, grade, serial number, date code, documentation, or performance characteristics.

Approved Supplier – Suppliers who are formally assessed and determined to have a low risk of providing counterfeit product and are on the ACI approved vendor list.

Certificate of Conformance (C of C) – A document provided by the supplier formally declaring the purchase order requirements are met. The document may include information relative to the manufacturer, distributor, quantity, date code, inspection date or other data that is signed by a responsible associate for the supplier.

GIDEP – Government Industry Data Exchange Program (<http://www.gidep.org/>) GIDEP is a cooperative activity between government and industry participants seeking to reduce or eliminate expenditures of resources by sharing technical information.


7. Related Documents

840000 ACI Supplier Compliance (current revision)

843000 ACI Purchasing (current revision)

8. Safety Requirements

N/A

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9. Housekeeping Requirements

N/A