1 Scope and Purpose

1.1 Scope

This document applies to purchasing control activities at Milwaukee Electronics – Portland, which target preventing the introduction of counterfeit parts into our facility and products.

1.2 Purpose

The objective of this plan is to avoid counterfeit parts entering Milwaukee Electronics' supply chain and products, using recommendations and guidelines of SAE Standard AS5553. This plan is maintained, updated, and sustained based on evolving counterfeiting techniques and trends.

2 References

34-42002	Purchasing Responsibility Guideline
Electronic Components Industry Association (ECIA)	www.TrustedParts.com (previously www.eciaauthorized.com)
AS5553	Counterfeit Electronic Parts—Avoidance, Detection, Mitigation, and Disposition.
AS6171	Test Methods Standard for suspect/counterfeit EEE parts.
GIDEP	Government-Industry Data Exchange Program

Milwaukee Electronics documents are located in SharePoint.

3 Definitions

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.

4 Responsibilities

Purchasing

- Milwaukee Electronics uses purchasing controls to procure materials that are manufactured by the original component manufacturers or their authorized

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distributors. Controls include surveys, audits, product inspections, qualification testing, and risk assessments. Such suppliers are identified in the Approved Vendor List.

- Suppliers are asked to provide Certificate of Conformance (CoC) that includes Manufacturer name, address, part number and distributor if applicable, certifying that the parts supplied are new and original.
- All components must be purchased from affiliated members of the Electronic Components Industry Association (ECIA) authorized distributor network. Authorized Distributors can be identified via the association's web site at: www.eciaauthorized.com.

Receiving verification/Incoming inspection

Identify and segregate suspect or counterfeit parts during material inspection and handling tasks, based on part appearance, labeling and other visual cues.

Suppliers

- Implement and enforce a written Counterfeit Parts Prevention and Control Plan designed to preclude, detect, and remove any counterfeit parts from all deliveries to Milwaukee Electronics.
- Milwaukee Electronics requires that suppliers review AS5553 - Counterfeit Electronic Parts; Avoidance, Detection, Mitigation and Disposition, for counterfeit component/parts avoidance, detection, migration and disposition, as a best practice review and confirm internal procedures are appropriate and effective.
- Actively cooperate with Milwaukee Electronics in the implementation of this policy to eliminate counterfeit components from all products.
- Ensure this policy and the expected actions are communicated to quality and business leaders throughout the company and sub-suppliers.

5 Part Availability and Obsolescence

- Purchasing will prioritize the use of available, authentic, originally designed, and qualified EEE parts throughout the product's life cycle.
- When availability or obsolescence risks are identified, the resolution process should consider lifetime buys, alternate/multiple sources, adequate procurement lead time, development of new items or sources, redesign, or other appropriate mechanisms to proactively reduce the risk of exposure to suspect counterfeit or counterfeit EEE parts.

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- Milwaukee Electronics will notify the customer for direction for any identified obsolescence risks and proposed actions.
- If parts are not available due to allocation, obsolescence or other constraints, customer approval will be requested to purchase from non-OEM or non-authorized distributor sources.

6 Training

All employees involved in Purchasing, Receiving Verification, and Incoming Inspection shall be trained in counterfeit-parts awareness and prevention, including quarantining suspect counterfeit parts when identified.

7 Quarantining and Reporting

- If it is suspected that there is a possibility of any part being Counterfeit, such parts will be removed from Receiving Area, Warehouse or Production Floor and will be segregated in a separate area for investigation. Such parts will be clearly labeled with a nonconforming tag for review.
- Purchasing and Quality Departments will be notified about the suspect parts. Quality will further investigate the suspect parts and actions will be taken as warranted on a case-by-case basis.
- When suspect parts are either confirmed or have high probability of being counterfeit then the part supplier, part manufacturer and GIDEP will be notified.
- In the event a customer has received products with counterfeit parts, the customer(s) will be notified of such incidents and arrangements will be made to recall such products for corrective action. Any products in stock with such counterfeit parts will be reworked as per the corrective action to remove counterfeit parts from finished goods. Counterfeit parts will be scrapped.

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8 Change and Approval History

New Rev	Description	Approver	Approver Title	Date
A	Original release: New document on Counterfeit Materials Prevention. Impact of Change on the QMS: this plan implements additional controls on supply chain activities to prevent the introduction of counterfeit parts into our products. Impact of change on (medical) product: this process will reduce the risk of counterfeit parts being used in products. Document author: Loan Thai, Supply Chain Manager	Loan Thai	Site Supply Chain Manager	16 Oct 2025
		Andrew Hale	Site Quality Manager	14 Oct 2025
B	Updated section 6 Training to only include employees that are responsible for purchasing, receiving, and inspecting externally provided supplies. Impact of change on (medical) product: this update has further clarified the training requirements for the procedure. Document author: Loan Thai, Supply Chain Manager	Loan Thai	Site Supply Chain Manager	12/15/2025
		Andrew Hale	Site Quality Manager	12/15/2025

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