1 Scope and Purpose

1.1 Scope

MEC is committed to preventing the introduction of any counterfeit materials into our products. MEC will plan, implement, and control processes appropriate to the organization and the product, for the prevention of counterfeit or suspect counterfeit materials use and their inclusion in product(s) delivered to the customer.

1.2 Purpose

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

2 References

Electronic Components Industry Associaction(ECIA)	www.eciaauthorized.com

Milwaukee Electronics documents are located in SharePoint.

3 Definitions

- **Counterfeit Parts/Materials:** Electrical, Electronic and Electromechanical (EEE) parts that are an unauthorized copy, imitation, substitute, or modified part but are knowingly misrepresented as a specified genuine part of an original or authorized manufacturer with the intent to mislead or defraud by presenting the imitation as original or genuine.

4 Responsibilities

Purchasing

- MEC will utilize purchasing controls to procure materials that are manufactured by the original component manufacturers or their authorized distributors. Controls include: surveys, audits, product inspections, qualification testing, and risk assessments. Such suppliers are identified in the MEC 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.

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Suppliers

Note: All MEC suppliers are required to take the following actions:

- Implement and enforce a written Counterfeit Parts Prevention and Control Plan designed to preclude, detect, and remove any counterfeit parts from all deliveries to MEC.
- MEC 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 MEC 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 & Obsolsence

- MEC Purchasing will maximize 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.
- MEC will notify the customer for direction for any identified obsolescence risks and proposed actions.
- In the event that 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

- MEC employees associated with Purchasing, Receiving Verification and Production will be trained to visually identify parts that might not be original / new parts and could be suspect for counterfeit parts.
- Production employees will visually check a sample of parts before they are used in production. Any suspect observations will be brought to the attention of production management.

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7 Quarinting 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 by the Material Review Board (MRB).
- Purchasing & 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 GIPED 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.

8 Auditing

MEC's Internal Audit program addresses the compliance and effectiveness of this policy.

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9 Change and Approval History

New Rev	Description	Approver	Approver Title	Date
A	Original release: New document on Counterfeit Materials Prevention. Author: Steve Williams	Gary DeGrave	Site Supply Chain Manager	18 Jan 2025
		Bob Willenbring	Site Quality Manager	17 Jan 2025

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