



## Counterfeit Part Prevention Policy

Work Instruction: **WI-8.1.4**

Revision Date:  
**11/16/2018**

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### I. PURPOSE

The purpose of this policy is to protect Habco Tool and Development Company, our external provider partners, and ultimately our customers from the introduction of counterfeit or questionable traceable components into our end products.

### II. SCOPE

This policy applies to the product that Habco ships to its customers and to the product or services (materials, assemblies, or individual components) that is purchased from external providers.

### III. Background

Some of Habco Tool and Development Company's customers are requiring us to implement a counterfeit policy with their external providers.

### IV. Definitions

*OCM* – Original Component Manufacturers

*OEM* – Original Equipment Manufacturers

*C-of-C* – Certification of Conformance

*Authorized/Franchised distributors* – Those distributors with which OCM/OEM have contractual agreements identifying them as “Authorized” or in a like manner to buy, stock, re-package, sell, and distribute their product lines.

*Non-authorized external provider* – Brokers, Non-Franchised distributors, Independent distributors, or any organization other than OCM, OEM or Authorized/Franchised.

Approved by & date:  
*Jim Patchin 11/16/2018*

Approved by & date:  
*William Shukis 11/16/2018*

Originated by: Habco Tool & Development

Original issue date: 2011

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## 1. Prevention of Counterfeit Parts (8.1.4)

**1.1 Habco plans, implements, and controls processes, appropriate to the organization and the product, for the prevention of counterfeit or suspect counterfeit part use and their inclusion in product(s) delivered to the customer.**

**1.2 Habco's counterfeit part prevention processes considers;**

- training of appropriate persons in the awareness and prevention of counterfeit parts; (D7302 Awareness Training)**
- application of a parts obsolescence monitoring program; (work instruction WI-8.5.6 Control of Changes)**
- controls for acquiring externally provided product from original or authorized manufacturers, authorized distributors, or other approved sources; (procedure QSP-PUR Purchasing & F84103 Approved External Provider List)**
- requirements for assuring traceability of parts and components to their original or authorized manufacturers; (work instruction WI-8.5.2 Identification and Traceability & HTD-395 Operations Quantity Account Log)**
- verification and test methodologies to detect counterfeit parts; (procedures QSP-PUR Purchasing, QSP-PRO Production, QSP-QUA Quality and WI-8.4.2d-2 Verification of Purchased Products & Services)**
- monitoring of counterfeit parts reporting from external sources; (procedure QSP-PUR Purchasing and WI-8.4.2d-2 Verification of Purchased Products & Services)**
- quarantine and reporting of suspect or detected counterfeit parts; (procedure QSP-8.7 Control of Nonconforming Outputs)**

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## **2. Habco Responsibility:**

- Habco flows down customer requirements to external providers.
- Habco purchases materials and castings from customer approved sources or uses customer supplied materials or castings.
- Material and certifications are verified against the specifications.
- All material, processing, and testing certifications are kept on file for at least 30 years.
- Habco links all traceable certifications through our shop order and purchase order systems.
- Habco provides machined parts that may be used by our customers to house or hold electronic components. Habco does not directly supply our customers with electronic components.
- Product supplied by Habco is identified as prescribed by our customer through drawing and purchase order requirements.

## **2. External Provider Responsibility**

2.1 All external providers are required to take the following actions:

- Habco Tool and Development Company's external provider partners are required to purchase from OCM, OEM, or authorized distributors for such OCM/OEM, as sole and exclusive sources for all components to be delivered to Habco Tool and Development Company, and to obtain and retain written records for such.
- External providers shall provide a C-of-C for all components to be provided to Habco Tool and Development Company (upon request). These certifications will be maintained on file as described within applicable Habco Tool and Development Company's purchase order files, and in compliance with AS9100 requirements.
- Implement and enforce a written Counterfeit Parts Prevention and Control Plan designed to preclude, detect, and remove any counterfeit components from all deliveries to Habco Tool and Development Company. As an integral part of this plan, the external provider shall maintain a database of counterfeit components received, and applicable source data.
- Habco requires that external providers review AS5553 Counterfeit Electronic Parts, AS6081 Fraudulent/Counterfeit Electronic Parts, and AS6174 Counterfeit Material for reference, as best practice review, and to confirm internal procedures are appropriate and effective.
- Actively cooperate with Habco Tool and Development Company in the implementation of this policy to eliminate counterfeit components from all products and ensure that this policy and the expected actions are communicated to quality and business leaders throughout your company.

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## **3. USE OF NON-AUTHORIZED EXTERNAL PROVIDERS**

- 3.1 The use of Non-Authorized external providers without express written consent by Habco Tool and Development is hereby strictly prohibited. Should business reasons (obsolescence, cost, lead time, customer commitments, etc.) dictate the use of such external providers, the following process is required:
- 3.2 External provider shall notify the supply chain representative of Habco Tool and Development (in writing) of a requirement to utilize a non-authorized source.
- 3.3 External provider shall provide specific details regarding the suggested source, the known details on component pedigree, date code, and a suggested verification/test plan.
- 3.4 External provider shall provide all details in writing on an external provider request form document which includes a customer sign off and approval section.
- 3.5 The affected Habco Tool facility (supply chain, quality, and engineering representatives as needed) shall review the external provider request and either approves, reject, or return with comments of requested changes including but not limited to additional or alternative verification requirements. Visual inspection, part marking inspection, and C-of-C inspection shall be included as critical verification steps in all such instances.
- 3.6 Should Habco provide approval, the external provider shall provide C-of-C, verification documentation, and any test results promptly to Habco.
- 3.7 External provider is not approved to deliver product(s) to Habco until signed approval is provided, and certification of conformance and test results are provided and confirmed to be compliant to the details agreed upon in the approved external provider request form.

## **4. INTERPRETATION**

Habco can be contacted for further interpretation or clarification of this policy.

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## V. REFERENCES / APPENDICES

- Documentation (supporting quality records) retention is subject to all AS9100 or customer specific requirements; whichever is greater.
- AS9100D Quality Management Systems
- AS5553 Counterfeit Electronic Parts
- AS6081 Fraudulent/Counterfeit Electronic Parts
- AS6174 Counterfeit Material; Assuring Acquisition of Authentic and Conforming Material

## VI. ASSOCIATED DOCUMENTS

- QSP-PUR Purchasing
- QSP-7.5 Control of Documented Information
- QSP-8.7 Control of Nonconforming Outputs
- WI-8.4.1 External Provider Qualification and Evaluation
- WI-8.4.2d-2 Verification of Purchased Product and Services
- WI-8.5.2 Identification and Traceability
- WI-8.5.6 Control of Changes
- F84103 Approved External Provider List
- HTD-395 Operations Quantity Account Log

## VI. CHANGE SUMMARY

Date	Par.	Summary Comments
2012	All	Initial release
8/1/17	All	Updated to conform to AS9100D Changed document ID from WI-7.4.4 to WI-8.1.4
11/16/18	1.2	Added F84103 Approved External Provider List & HTD-395 Operations Quantity Account Log
	2.1	Updated to include reference to AS5553 and AS6174
	V.	Added standards AS6081 Fraudulent/Counterfeit Electronic Parts and AS6174 Counterfeit Material
	VI.	Added WI-8.5.6 Control of Changes & QSP-8.7 Control of Nonconforming Outputs