

Q-22

COUNTERFEIT MATERIAL AVOIDANCE **PROCESS REQUIREMENTS**

Definitions

Unless defined in a document with a higher order of precedence than this Quality Note the following definitions shall apply herein:

a. "Counterfeit Item" is defined to include, but is not limited to, (i) an item that is an illegal or unauthorized copy or substitute of an Original Equipment Manufacturer ("OEM") or Original Component Manufacturer ("OCM") item; (ii) an item that does not contain the proper external or internal materials or components required by the OEM / OCM or that is not constructed in accordance with OEM / OCM design; (iii) an item or component thereof that is used, refurbished or reclaimed but the Seller represents as being a new item; (iv) an item that has not successfully passed all OEM / OCM required testing, verification, screening and quality control but that Seller represents as having met or passed such requirements; or (v) an item with a label or other marking intended, or reasonably likely, to mislead a reasonable person into believing a non-OEM /OCM item is a genuine OEM /OCM item when it is not.

b. "Independent Distributor" is defined as an individual or business that is not authorized or franchised by the Original Equipment Manufacturer / Original Component Manufacturer OEM/OCM to sell the OEM/OCM product. Independent Distributors may also be referred to as, non franchised distributors, unauthorized distributors, brokers, or similar terms.

Seller's Risk Mitigation

Seller shall maintain a Counterfeit Item risk mitigation process internally and with its suppliers in compliance with the requirements set forth herein and shall provide evidence of said process to Buyer upon request. To further mitigate the possibility of the inadvertent use of Counterfeit Items, the Seller may only purchase directly from Original Equipment Manufacturers / Original Component Manufacturers, OEMs/OCMs through the OEM/OCM franchised distribution chain; or, if through an Independent Distributor, Seller must make available to Buyer, OEM/OCM documentation that authenticates supply chain traceability of the components to the applicable OEM/OCM. If the required items cannot be procured from these sources with the required traceability documentation, use of the items from these sources is not authorized unless first approved in writing by Buyer. The Seller must present complete and compelling support for its request and include in its request all actions to ensure the parts thus procured are not Counterfeit Items. Seller shall flow down, and ensure compliance with the requirements of this Q-Note to lower tier suppliers providing items for delivery to Raytheon under this order.

Labelling

Seller shall identify and provide traceability to the source for all remarked or resurfaced material. Remarked / resurfaced items shall be approved in writing, by the Buyer, prior to use or delivery.