

**TTM Technologies, Inc.**

**TERMS AND CONDITIONS OF PURCHASE**

**Counterfeit Parts Requirements for Suppliers**

**Rev. B (11/03/20)**

1. COUNTERFEIT PARTS REQUIREMENTS

(a) Definitions for purposes of this Contract:

- (i) "Counterfeit Parts" shall mean a part, component, module, or assembly whose origin, material, source of manufacture, performance, or characteristics are misrepresented. This term includes, but is not limited to, (A) parts that have been (re)marked to disguise them or falsely represent the identity of the manufacturer, (B) defective parts and/or surplus material scrapped by the original manufacturer, and (C) previously used parts pulled or reclaimed and provided as "new".
- (ii) As used herein, "authentic" shall mean (A) genuine; (B) from the legitimate source claimed or implied by the marking and design of the product offered; and (C) manufactured by, or at the behest and to the standards of, the manufacturer that has lawfully applied its name and trademark for that model/version of the material.
- (iii) "Independent Distributor" shall mean a person, business, or firm that is neither authorized nor franchised by an Original Component Manufacturer ("OCM") to sell or distribute the OCM's products but which purports to sell, broker, and/or distribute such OCM products. Independent Distributors are also referred to as unfranchised distributors, unauthorized distributors, and/or brokers.
- (iv) "Original Component Manufacturer" (OCM) is an organization that designs and/or engineers a part and is pursuing or has obtained the intellectual property rights to that part.
- (v) "Original Equipment Manufacturer" (OEM) is an organization that designs, manufactures and/or engineers an end product comprised of various parts and is pursuing or has obtained the intellectual property rights to that end product.

(b) SELLER represents and warrants that only new and authentic materials are used in products required to be delivered to BUYER and that the Work delivered contains no Counterfeit Parts. No other material, part, or component other than a new and authentic part shall be used unless approved in advance in writing by the BUYER Procurement Representative. To further mitigate the possibility of the inadvertent use of Counterfeit Parts, SELLER shall only purchase authentic parts/components directly from the Original Equipment Manufacturers ("OEMs")/OCMs or through the OEM's/OCM's authorized distribution chain. SELLER must make available to BUYER, at BUYER' request, OEM/OCM documentation that authenticates traceability of the components to that applicable OEM/OCM. Purchase of parts/components from Independent Distributors is not authorized unless first approved in writing by BUYER's Procurement Representative. SELLER must present complete and compelling support for its request and include in its request all actions to ensure the parts/components thus procured are legitimate parts. BUYER' approval of SELLER request(s) does not relieve SELLER's responsibility to comply with all Contract requirements, including the representations and warranties herein.

(c) SELLER shall maintain a documented system (policy, procedure, or other documented approach) that provides for prior notification to the BUYER Procurement Representative and his/her written approval before parts/components are procured from sources other than OEMs/OCMs or through the OEM's/OCM's authorized distribution chain. SELLER shall provide copies of such documentation for its system for BUYER' inspection upon BUYER' request.

- (d) If the SELLER is providing electronic components/devices only, the following certification applies:

Certification of Origin of Product:

Acceptance of, performance against, or delivery of product against any orders constitutes confirmation by the SELLER that it is either the Original Equipment Manufacturer (OEM), Original Component Manufacturer (OCM), or a franchised or authorized distributor of the OEM/OCM for the product herein procured. SELLER further warrants that OEM/OCM acquisition documentation that authenticates traceability of the components to that applicable OEM/OCM is available upon request. If the SELLER is not the OEM/OCM or a franchised or authorized distributor, the SELLER confirms by acceptance of this Contract that each product supplied to BUYER has been procured from the OEM/OCM or a franchised or authorized distributor of the OEM/OCM. The supplier further warrants that OEM/OCM acquisition traceability documentation is accurate and available to BUYER upon BUYER' request.

- (e) SELLER shall flow the requirements herein to its subcontractors and suppliers at any tier for the performance of all orders.
- (f) SELLER shall establish and maintain a documented Counterfeit Parts risk mitigation process internally and with its suppliers. SELLER shall provide evidence of such process to the BUYER upon request.
- (g) SELLER shall establish and maintain a documented Counterfeit Parts awareness training program. SELLER shall provide evidence of such program to the BUYER upon request
- (h) The SELLER shall participate in the Government Industry Data Exchange Program ("GIDEP") including monitoring and acting on GIDEP reports which affect product delivered to the BUYER. When suspect or confirmed counterfeit items associated with any order are discovered the SELLER shall issue a GIDEP report and shall ensure suspect counterfeit parts are not delivered to BUYER. SELLER shall immediately notify BUYER with the pertinent facts if SELLER becomes aware or suspects that items delivered in accordance with BUYER purchase order are or contain suspect or confirmed counterfeit items. When requested by BUYER, SELLER shall

provide OCM/OEM documentation that authenticates traceability of the affected items to the applicable OCM/OEM.

- (i) SELLER shall indemnify BUYER against all costs, claims, and damages related to the supply of Counterfeit Items including but not limited to the cost of replacement parts, the cost of removal and reinstallation of replacement parts, and the cost of claims of BUYER's customers related to the supply of Counterfeit Items to BUYER by SELLER.