K&A Machine & Tool, Inc.
Counterfeit Parts Prevention Policy

This policy is designed to prevent, detect and remove any counterfeit components from all deliveries made by K&A Machine & Tool, Inc. As a vital part of this plan, K&A Machine & Tool, Inc. (hereinafter referred to as K&A or the Organization) has established and shall maintain a register of any Counterfeit Components Received. The Organization shall evaluate and confirm internal procedures are appropriate and effective. The Organization shall cooperate with the customer in the implementation of this policy to eliminate counterfeit components from all products. K&A ensures this policy and the expected actions have been communicated to quality and business leaders throughout the Organization.

Purpose: Assure authenticity of produced and procured parts within our AQMS. Procure parts from Customer ASL or reliable sources. Control parts identified as counterfeit, and report counterfeit parts to other potential users and government investigative authorities.

Suspect Part: A part in which there is an indication by visual inspection, testing, or other information, that it may have been misrepresented by the supplier or manufacturer and may meet the definition of counterfeit part.

Counterfeit Part: A part which has been misrepresented as authentic or determined to be a copy or substitute without legal right or authority to do so.

Part Availability: K&A is "build to print" machine shop, with the customer providing the engineering drawing, design and manufacturing requirements. All design planning is conducted by our customers. In addition, during proposal and planning efforts, K&A shall review the availability of authentic parts and sources for production and support systems.

Purchasing Process: The Organization ensures that purchased product conforms to specified purchase requirements. The type and extent of control applied to the supplier and the purchased product depends on the effect of the purchased product on subsequent product realization or the final product. K&A is responsible for the conformity of all products purchased from suppliers including customer-designated sources.

a) The criteria for selection, evaluation and re-evaluation are established. The records of the results of evaluations and any necessary actions arising from the evaluations are maintained.

b) A register of approved suppliers is maintained that includes the scope and approval status (e.g., approved, conditional, disapproved, other). Please see the Approved Suppliers List.

c) Obtain from authorized suppliers who are on the Approved Suppliers List, where possible.

d) Periodically reviews supplier's performance, assurance actions may include surveys, audits, alerts and supplier quality documentation.

e) Evaluate and mitigate the risks of obtaining counterfeit parts from sources of non-authorized suppliers.

f) To prevent the purchase of counterfeit or suspect/unapproved products and to ensure product identification and traceability, K&A has implemented controls that include the requirement of Certificates of Conformity, and/or other supporting documentation from its suppliers as is appropriate. These requirements are specified on K&A's Purchase Order or may otherwise be communicated to the supplier via Terms and Conditions, etc.

Purchasing Information: Purchasing information relative to the intent of this policy. Purchasing includes (as appropriate):

a) Requirements for the approval of the product, procedures, processes and equipment.

b) Requirements for the qualification of personnel.

c) Quality Management System requirements.

d) The name/product description or other positive identification and applicable issues of specifications, drawings, process requirements, inspection instructions and other relevant technical data (e.g. revision level).

h) Records retention and lot traceability requirements.

Verification of Purchased Product: The Organization has established and implemented the inspection or other activities needed for ensuring that purchased product meets specified purchase requirements. The inspection (or other) activities may include: Where the Organization delegate's verification activities to the supplier, the requirements for delegation shall be defined and a register of delegations maintained. The organization shall periodically validate test reports for raw material.

Control of Nonconforming Product: Products that do not conform to requirements are identified and controlled to avoid their unintended use or delivery. The controls and related responsibilities and authorities for dealing with nonconforming product are defined in the Control of Nonconforming Product Procedure.

a) Eliminates the cause of the nonconformity.

b) Authorizes release or acceptance for use by a relevant authority and where applicable, the customer.

c) Takes action to preclude its original intended use or application.

d) Takes action appropriate to the effects, or potential effects, of the nonconformity when nonconforming product is detected after delivery or use has started; The Organization's nonconforming product control process provides for a timely reporting of delivered nonconforming product;

e) Takes actions necessary to contain the effect of the nonconformity on other processes or products. The Organization does not use dispositions of use-as-is or repair, unless specifically authorized by the customer, if the nonconformity results in a departure from the contract requirements. Product disposition for scrap shall be conspicuously and permanently marked, or positively controlled, until physically rendered unusable. Records of the nature of nonconformities are retained and maintained as detailed in the Control of Non-Conforming Product Procedure. When nonconforming product is detected after delivery or use, the Organization takes action appropriate to the effects or potential effects of the nonconformity.

Reporting: The documented process shall assure that all occurrence of counterfeit parts are documented and reported, as appropriate, to internal organizations, customers, government reporting organizations, industry supported reporting programs and criminal investigative authorities.

USE OF UNAUTHORIZED SUPPLIERS: The use of Non-Authorized suppliers without express written consent by K&A is hereby strictly prohibited. Should business reasons (obsolescence, cost, lead time, customer commitments, etc.) dictate the use of such suppliers, the following process is required:

a.) The supplier shall notify K&A in writing of a requirement to utilize a non-authorized source.

b.) The supplier shall provide specific details regarding the suggested source, the known details on component pedigree, date code, and a suggested verification/test plan.

c.) K&A. shall review the request and either approves, rejects, or returns 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.

d.) Should K&A provide approval, supplier shall provide Certification of Conformance, verification documentation, and any test results promptly to K&A.

e.) Suppliers are not approved to deliver product(s) to K&A 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 supplier request form.

Additional Documentation:

K&A Machine & Tool. Supplier Terms and Conditions
K&A Machine & Tool Approved Supplier List