COUNTERFEIT MATERIALS STATEMENT

To Whom It May Concern,

Component Distributors is diligent about only selling parts procured directly from the manufacturers for which we are franchised and authorized to represent. We have always had this policy to insure that we only sell authentic parts. CDI maintains, for the period of time stated in our ISO9001 Quality Manual, traceability (including Certificates of Conformance/Compliance) of all products from country of origin to shipment to our customers.

CDI is ISO9001 certified and often request standard verification from our suppliers. Many of our suppliers have Certificate of Conformance/Compliance that are included with each shipment or can be provided upon request. CDI follows many of the requirements of AS6081 (Fraudulent/Counterfeit Electronic Parts: Avoidance, Detection, Mitigation and Disposition). All new suppliers undergo an evaluation period and our suppliers undergo periodic evaluations.

Returned product must be returned in original condition and traceability is tracked by purchase date, part number, date/lot codes and serial numbers.

Although we have never detected counterfeit material, CDI has a Non-conformance Policy to quarantine all counterfeit parts and corrective action protocol will be initiated.

When component scrapping is necessary, CDI uses a reputable electronics disposal/recycle company that is R2, ISO 14001 and e-Stewards certified. Certificate of destructions are kept on file per our ISO9001 Quality Manual. CDI will never purchase product that is knowingly refurbished or reclaimed and we make sure that none of the product we scrap can be sold again.

CDI will cooperate with any authorities when investigations of counterfeit materials are conducted whether CDI was directly or indirectly involved.

Thank you.

Dan Miller
CFO