

To our customers

## COUNTERFEIT MATERIALS AVOIDANCE POLICY

Wetzikon, November 18, 2013 FR/ZUA

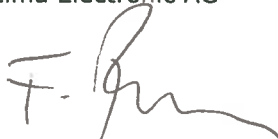
Elma Electronic AG over the years had always a robust procedure to prevent COUNTERFEIT MATERIALS. This has been implemented by ensuring that all purchases of commodities and electronic components used in enclosures and components for electronics, basic systems and rotary switches, are sourced only through OEMs or authorized distributors.

The same policy is also pushed down the supply chain on all the purchase orders released by the Materials Department. The valid push down rules are as follows:

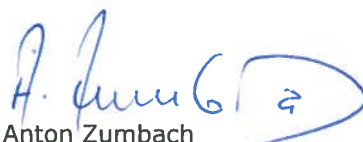
- The procurement of materials from a non-approved ELMA supplier, distributor or broker is **not allowed**, due to the possibility of counterfeit material.
- During extreme situations such as manufacturer's allocation of product which causes material shortages and material is only available through a non-approved ELMA supplier, distributor or broker, the ELMA customer must be notified prior to purchase of any material.
- ELMA must be notified, if the source of material supplied to ELMA becomes the subject of a legal or counterfeit issue.
- Any applicable flow down requirements specified on the Purchase Order, including Customer requirements, shall flow down the supply chain.
- All pertinent records must be retained for a minimum of five (5) years unless otherwise specified on the purchase order.

The valid version of the «Counterfeit materials avoidance policy» can be found at [www.elma.com](http://www.elma.com).

Elma Electronic AG



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