

## DFARS 252.225-7014, ALT 1

As an authorized distributor for semiconductors and integrated circuits, Falcon Electronics qualifies for an exemption to the specialty metals requirements. This exemption is based on the Domestic Non-Availability Determinations (DNADS) approved by the Under Secretary of Defense for Acquisition, Technology and Logistics (USD (AT&L)) resulting from DCMA reviews of contractor corrective action plans. This list may be accessed at the following link: <http://www.dcmil.dnadmil/>.

Semiconductors and integrated circuits are used to populate circuit card assemblies. The value of the specialty metals contained in most circuit card assemblies is significantly less than 10 percent of the value of the circuit card assembly. Thus, pursuant to 10 U.S.C. 2533b(g), most populated circuit card assemblies are not covered because the specialty metal content is de minimis in value compared to the overall value of the circuit card assembly (i.e., the lowest level electronic component produced that contains specialty metal).

Information memorandum No. 08-143, subject: Class deviation 2008-O0002 – Implementation of New Specialty metals Restriction in FY08 National Authorization Act dated January 29th further states the following:

“The electronic component exception has been broadened to cover all electronic components. It is no longer limited to commercially available electronic components, and it applies regardless of the amount of specialty metal contained in the electronic component.”