

~~SECRET//TK//NF~~

# Closure Recommendation Memorandum

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| <b>Case Number:</b> 18-0013-I | <b>Date of Entry:</b> 30 September 2020 |
| <b>Primary Investigator:</b>  |   |

(b)(3)

## Allegation Information

**Narrative:**

~~(S//NF)~~ On 25 September 2017, the NRO OIG received notice that at least [redacted] at ADF-E, acquired by [redacted] from [redacted] LLC during 2009, are suspected as being counterfeit. The OIG determined that [redacted] were actually identified as potentially counterfeit.

(b)(1)

(b)(3)

**Last Investigative Step:**

Subpoena review and contract clause review

**Resolution:**

Unsubstantiated

## Case Closure Recommendation Justification

**Additional Information:**

The OIG reviewed documents and records provided by [redacted] via an Inspector General Subpoena. The records of [redacted] purchases under NRO contracts by [redacted] show all purchases from [redacted] were made between July 2009 and September 2013. The NRO implemented its counterfeit parts procedures in July 2017. Prior to the implementation of these procedures, companies were not required to purchase electronic components from Original Equipment Manufacturers (OEM) or licensed distributors. Further, a review of the internal ordering documents by [redacted] illustrated customary commercial purchasing practices from [redacted]. This investigation did not review or investigate [redacted] process of fulfilling orders if it knowingly provided the defective products identified. However, a review [redacted] counterfeit part databases and notices provided by Operation Chain Reaction did not indicate [redacted] as being identified or flagged as an importer of counterfeit electronic components. Public records searches likewise did not indicate [redacted] as being connected to counterfeit or defective product schemes.

(b)(1)

(b)(3)

This case is recommended for closure.

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