

Supplier Quality Requirements

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1.0 SCOPE

This document defines Lockheed Martin Rotary Mission Systems (LM RMS) supplier quality requirements. It does not apply to Sikorsky procurements.

Terminology:

Buyer - Lockheed Martin Rotary Mission System (RMS)

Seller - Supplier identified on the face of the RMS Purchase Order

Subtier - Suppliers contracted by the seller to provide parts, materials, perform manufacturing operations, or perform special processes

LM Procurement Representative - the individual at LM RMS who administrates the Purchase Order as identified on the Purchase Order

The document applies to Sellers and their Subtiers who furnish product, material, processes, or services (manufacturer or maintenance provider) as a contract requirement regardless of supplier's industry, regulatory accreditation, or certification status. Sellers shall flow down applicable requirements to Subtiers.

Requirements identified in the Purchase Order (PO) take precedence over this document in the event of a conflict.

Any exceptions or changes to this document agreed to by the Buyer and Seller shall be incorporated on the face of the Purchase Order (PO).

These requirements do not apply to Purchase Orders placed between Lockheed Martin businesses.

Seller shall ensure employees involved with fulfillment of Lockheed Martin service or product deliverables understand how their work contributes to meeting the needs and safety requirements of the customer.

Additionally, it is expected that all Sellers and their employees perform ethically in the course of conducting LM business and Do What's Right, Respect Others and Perform With Excellence.

Additional information can be found in the Lockheed Martin Supplier Code of Conduct linked below.

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http://www.lockheedmartin.com/content/dam/lockheed/data/corporate/documents/suppliers/LM_Supplier_Code_of_Conduct.pdf

2.0 STANDARD PROCESS FLOW

This section intentionally blank.

3.0 IMPLEMENTATION REQUIREMENTS

3.1 QUALITY MANAGEMENT SYSTEM

The Purchase Order will detail Seller Quality Management System (QMS) requirements. Examples of possible QMS requirements include: AS9100, ISO9001, AS9003, AS9120.

3.2 SPECIAL PROCESSES

SPECIAL PROCESS - A process that results in a physical, chemical or metallurgical transformation OR a process whose conformance cannot be later verified by normal inspection methods. Examples: Welding, Brazing, Soldering, Plating, Heat Treat, Non-Destructive Testing.

The face of the Purchase Order will identify required special processes. These special processes shall be performed by sources approved by Lockheed Martin. For all processes except welding and CARC finish, NADCAP certification is accepted in lieu of Lockheed Martin approval and shall be listed in Lockheed Martin's P2P system. Special processors shall be approved at the time the process is performed. The approved special processor shall be identified during barcode creation.

Special Processors shall have a QMS that meets AS9003 as a minimum. NADCAP's AC7004 certification is acceptable in lieu of AS9003.

Materials Testing Laboratories shall be certified by either NADCAP or the International Laboratory Accreditation Cooperation (ILAC).

Sellers may view the P2P list of Lockheed Martin approved special processors through the Exostar Portal. NADCAP certifications are stored on the NADCAP eaudit.net website.

3.3 SUBTIER SUPPLIERS

Subtier suppliers performing special processes shall be approved by Lockheed Martin when the process is identified by the Buyer's Drawing and Purchase Order.

Seller's Quality Management System shall include processes for:

- Reviewing the Buyer's Purchase Order and flowing applicable requirements to Subtier suppliers including the applicable revision or amendment level of referenced Buyer specifications and other required documents.
- Notifying the Buyer when any Subtier is noncompliant to Buyer's requirements, disapproved by the

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Seller, or a Government/Industry Data Exchange Program (GIDEP) alert is required.

- Determining the capabilities of the Subtier prior to issuing a purchase order to the Subtier, and periodically reevaluating the Subtier to ensure compliance to Buyer's requirements
- Conducting receipt inspection to ensure material from Subtiers meets the requirements of the Purchase Order, and material is traceable to the Purchase Order.

3.4 COUNTERFEIT AVOIDANCE

Reference the Purchase Order Terms and Conditions for Counterfeit Avoidance requirements.

3.5 PARTS SUBSTITUTION

All parts shall be an exact match to the part ordered including Commercially available parts (COTS).

Parts procured to specifications such as MIL, MS, SAE, etc. may be substituted as allowed by the subject specification.

If a QPL/QML exists for the product, the Seller shall procure from an approved source. If no QPL exists, the Seller shall verify that the material meets the standard in full.

Parts identified within Lockheed Martin drawings shall be supplied exactly as ordered. Parts identified on Lockheed Martin assembly drawings shall be those specified on the Lockheed Martin parts list or associated Lockheed Martin configuration databases for approved parts and materials.

Upgraded, alternate, or equivalent parts are prohibited unless approved by Purchase Order amendment prior to shipment or acceptance by Buyer.

3.6 HOMOGENOUS PARTS

Parts supplied to each Purchase Order shall be homogenous and identical to each other. Changes in design, process steps, process sequence, consumable materials, suppliers of components, subtier processors, or tooling used in the manufacturing of items supplied to each Purchase Order require written authorization of Buyer.

3.7 FOREIGN OBJECT DEBRIS (FOD) PREVENTION

Seller shall implement methods to control Foreign Object Debris (FOD) during each phase of production and delivery.

Seller work instructions shall provide objective evidence of inspection for foreign objects prior to closing inaccessible or obscured areas and compartments during assembly. Seller shall ensure tooling, jigs, fixtures, and test or handling equipment are maintained in a state of cleanliness and repair sufficient to prevent FOD.

Seller shall ensure flow down of applicable FOD requirements to their Subtier(s) when the potential for FOD entrapment or migration can occur during manufacturing or processing by the Subtier(s).

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3.8 MERCURY EXCLUSION

Material supplied shall contain no functional mercury and shall not be contaminated by mercury or mercury compounds. Seller shall obtain approval from the Buyer's Procurement Representative before shipment if: (a) functional mercury is present; (b) mercury contamination is suspected, or (c) mercury is knowingly introduced in the manufacturing process. RoHS compliant parts are considered compliant to this requirement.

3.9 ADDITIVE MANUFACTURING

Seller is responsible to notify the Buyer Procurement Representative when additive manufacturing as defined in ISO/ASTM 52900 will be used to manufacture the product or any part of the product being supplied. Notification is not required when the Lockheed Martin design drawing specifies additive manufacturing as the production method. This requirement does not apply to COTS material (COTS - as defined in FAR 2.101).

3.10 FIRST ARTICLE INSPECTION

Seller shall submit a First Article Inspection Report compliant to AS9102 when required on the face of the Purchase order or when any of the following conditions occur:

- 1) First time product is manufactured for production.
- 2) Design change affecting fit, form, function and/or interchangeability of the part.
- 3) Changes occur that invalidate the original FAI, such as engineering, manufacturing/inspection processes, tooling or materials changes. A "Delta" FAI is permissible for changes.
- 4) Changes to numerical control programs or translation to another media utilized to produce end item parts.
- 5) Natural or man-made event, adversely affecting the manufacturing facility or process.
- 6) A lapse in production for two years
- 7) MOTS (Modified Off-the-Shelf) or AID (Altered Item Drawing) items: FAI of the modified portion at a minimum is required.

FAI Exceptions: A first article inspection report is not required for:

- Rework or repair Purchase Orders not associated with a revision change
- Parts or materials conforming to industry or national authority specifications, where all characteristics are identified by text description (for example, MIL-Spec parts governed by an active QPL).
- COTS parts or materials

The inspection shall include a complete documented verification of all dimensions, features, notes, and specifications identified in the contract. Seller shall verify that operations performed at Subtier(s) meet requirements.

Seller may utilize the most current version of AS9102 forms 1-3 for their first article inspection report. Seller's own forms are permissible, provided they are equivalent to AS9102 forms. All FAI submissions shall contain all Required and Conditionally Required information (as applicable) as outlined in AS9102.

The FAI form shall be signed and dated by the person who prepared it.

Seller shall retain the First Article Inspection Report and supporting documentation in accordance with the terms and conditions of the purchase order. Supporting documentation includes certificates of conformance for

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raw materials and special processes (as defined in the AS9100 specification and identified on the engineering drawing), drawings, and test/inspection reports.

Seller shall upload the First Article Inspection Report during the "Ship-to LMC" process per section 2.14, unless otherwise directed by PO.

For Further guidance refer to the following link: <https://www.lockheedmartin.com/content/dam/lockheed-martin/eo/documents/suppliers/rms/rms-quality-fai.pdf>

3.11 NONCONFORMING MATERIALS

3.11.1 Cost Recovery

Notwithstanding and in addition to any other provisions, and without limiting any of buyer's rights and remedies, Seller shall be liable for Buyer's actual costs, expenses and damages related to or arising from nonconforming goods.

If buyer identifies a product nonconformity, the parties acknowledge that the administrative costs and expenses of processing the nonconformity are not subject to exact calculation and that a charge of \$1000 may be assessed by buyer as damages solely for processing each nonconformity. The damages shall be in addition to, and shall neither be a waiver of, nor otherwise limit, Buyer's ability to pursue claims for other actual damages against seller resulting from its failure to perform its duties herein.

3.11.2 Disposition of Nonconforming Products

Seller shall notify the Buyer Procurement Representative of product nonconformances to PO requirements or Seller's specifications. Seller shall receive Buyer authorization in writing prior to delivering nonconforming products, and shall not proceed to complete work without written authorization from the Buyer.

Seller is not permitted to disposition nonconforming products as "repair" or "use as is" unless authorized directly by the Purchase Order.

Seller shall notify the Buyer Procurement Representative when internal or independent process audit findings impact Buyer deliverables.

3.12 LOCKHEED MARTIN SOURCE INSPECTION

Lockheed Martin Source Inspection is required when indicated on the face of the Purchase Order.

Authorization to ship without Lockheed Martin source inspection does not waive Government Source Inspection (GSI) requirements when identified on the PO.

Instructions for requesting inspection:

Select the PO line in the "Ship to LMC" tab of the LM P2P portal and click inspection scheduling. Enter the quantity to be inspected and the date desired for the visit of the source representative. Source inspection requests should be made 5 business days prior to the inspection need date. Upon submission, Seller will receive

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an inspection lot number. In some cases, an authorization to ship without source inspection will be granted due to dock to stock programs (AIM or QVP).

For assistance with requesting source inspection, contact Supplier Quality Services at supplier-qa-services.fc-mst@lmco.com

3.13 GOVERNMENT SOURCE INSPECTION

Government Source Inspection is required when indicated on the face of the Purchase Order. Seller shall provide objective evidence of Government Source Inspection and approval with each shipment for applicable POs. This requirement is independent of the Lockheed Martin source inspection requirement and shall be satisfied regardless of LMP2P portal "Ship To" directions

Government Source Inspection is performed by the Government quality assurance office which has jurisdiction over the State in which the Seller's designated point for inspection is located. Upon receipt of a PO with GSI requirements, the Seller shall promptly notify their Government quality assurance representative to plan for government inspection. In the event the representative or office cannot be located, the Seller shall notify the Buyer Procurement Representative.

Seller shall upload objective evidence of GSI completion during the "Ship-to LMC" process per section 2.14.

3.14 DOCUMENTATION UPLOAD

Seller shall upload all deliverable documentation electronically. Deliverable documentation will be identified in the Purchase Order.

Deliverable documentation may include but is not limited to packing slips, certificate of conformance, FAI, as-built records, test records, failure analysis, and objective evidence of government source inspection.

When uploading proprietary, sensitive, export controlled or confidential documents, confirm the appropriate Sensitive Information Protection (SIP) label is selected, when prompted, at the time of upload.

Seller shall provide Subcontract Deliverable Records List (SDRL) items as directed by PO.

Instruction for uploading documentation to P2P:

Attach the documents in P2P "Ship-to LMC" tab during the creation of the barcode label:

1. Click on the 'Supporting Documentation' button
2. In the next screen click on 'Browse'
3. Find the item you want to upload - double click on the item
4. Click the 'Upload Document' button
5. The document(s) will be visible in the list of uploaded documents
6. Click the 'Back To Ship-To' button

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3.15 MANUFACTURER IDENTIFICATION

Seller shall record the CAGE code of the original product manufacturer on the packing list and/or on the smallest unit container and/or the outer shipping container. The CAGE code of the headquarters or main plant for the original equipment manufacturer/original component manufacturer is acceptable for commercial product.

If the cage code is not available, the name and address of the manufacturer shall be provided.

The Commercial And Government Entity (CAGE) code of manufacturers are assigned and maintained by the defense logistics agency and can be found at: <https://cage.dla.mil>

3.16 PACKAGING

Seller shall comply with packaging requirements identified in Lockheed Martin drawings, Statement of Work, or on the Purchase Order. Unless otherwise specified, Seller shall determine the packaging methods and materials (for example - ASTM D3951) used to ensure products are protected against corrosion, contamination, deterioration, ESD damage, and physical damage during transit to the delivery address specified in the PO. Products shall be individually wrapped, bagged, or otherwise protected to prevent twisted and entangled leads and part-to-part contact within the shipping container.

3.17 BARCODING

Seller is required to print and supply (2) barcode labels with the shipment. Attach one label to the shipping container and attach the other to the packaging slip.

The Barcode and In-Bound Delivery Document are created as the same time and are critical to Buyer processing the receipt.

Instructions for creating a Barcode label via the P2P "Ship-To LMC" tab:

1. Highlight the PO, click on the "Ship To" tab at the bottom of the screen
2. If inspection lots are required, a screen will appear to select the lot. Highlight the inspection lot for shipment and click 'Submit'
3. At the next screen fill in the required information (identified with *).
4. When a special process text key is listed on the PO, identify the approved special processor by entering the vendor's LM ID number where required.
5. After all the required information is populated click on "Create Delivery/Barcode" button. The Inbound delivery number (e.g., # 180123123"), will display and will print out on the barcode label
6. A PDF document will pop up – save or print as needed

A support guide on how to implement this process is available via the Exostar website at:

<http://www.myexostar.com/myexostarAll.aspx?id=1362>

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4.0 SUPPLEMENTAL INFORMATION

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5.0 RELATED RESOURCES

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6.0 REVISION HISTORY

Date	Page	Summary of Changes
12/3/2020	ALL	Initial Release