



NOR-RAL

Composite Solutions • Precision Machining
Registered ISO 9001 & AS9100
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NOR-RAL INC GENERAL FLOW DOWN REQUIREMENTS

The following requirements apply to all external providers supplying build-to-print Parts, Materials and Services that are procured by Nor-Ral Inc.. This document does not apply to COTS (Commercial off-the-shelf items) and standard hardware made to an industry standard (MS, AMS, MIL SPEC, etc). If your company is providing a service/part in support to a Lockheed Martin Aeronautics purchase order please see section below titled: *LOCKHEED MARTIN AERONAUTICS COMPANY FLOW DOWN OF ENGINEERING SPECIFICATION REQUIREMENTS*.

- A. Seller shall provide and maintain a quality system acceptable to the Buyer and Buyer's customers for the supplies and services covered by this purchase order.
- B. Seller shall provide the Buyer, Buyer's Customers or regulatory authorities the right of access to the applicable areas of their facilities and to applicable documented information, at any level of the supply chain, including those of external providers where work is being or is scheduled to be performed under this purchase order.
- C. Seller shall notify Buyer of any and all non-conforming products. Seller's disposition of non-conforming items is limited to scrapping of the material, elimination of the non-conformance by rework to engineering, or return to supplier. For items of Buyer's customer design, Seller shall submit non-conforming material reports to Buyer for disposition. Seller shall not incorporate any non-conformance into any product, process, procedure or data unless and until Seller has obtained written approval from design activity. Seller's continued processing of material containing a non-conformance prior to Buyer's customer MRB disposition is a Seller's risk. Buyer and Buyer's customers shall have the right to refuse to accept any non-conformances.
- D. Seller shall notify the Buyer of changes to processes, products, or services, including changes of their external providers or location of manufacture, and obtain the Buyer's approval.
- E. Seller shall implement and maintain a system that provides for identification, documentation, segregation and disposition of non-conforming material and shall assure effective and positive corrective action is taken to prevent, minimize or eliminate non-conformances.
- F. Seller's purchase orders to external providers shall clearly state the use of customer-designated or approved external providers for processing and nondestructive testing requirements. This includes special processes, inspections, tests and approval criteria as required by this purchase order. When required the Seller shall provide test specimens for design approval, inspection/verification, investigation, or auditing. Seller shall assure appropriate specifications and other directives are flowed down and used by Seller's external providers. Seller shall require their external providers to flow down and to incorporate documents and requirements in purchase orders to their external providers.
- G. Buyer shall have the right to perform in-process inspections, audits, and system surveillance at Seller's and Seller's external providers facilities as part of the verification of conformance to the requirements of this purchase order. Buyer shall have the right to utilize sample inspection methods for acceptance of product. If the sample is unacceptable, Buyer shall have the right to return all or part of the lot for credit or replacement. When a *Corrective Action* is sent to an external provider in the event of nonconformities, a response is to be completed. In the event that the response is inadequate or unacceptable, the external provider shall be notified and requested for additional corrective action. The external provider shall be issued a notification upon no response to a corrective action and the supplier will be documented as being unapproved if a response is not received in a thirty day time frame.



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External providers on that are unapproved shall not be used until an acceptable corrective action has been approved.

- H. Seller shall approve, retain, and provide copies of Certificate of Conformance (COC) with each shipment. This COC shall certify that all items provided under this purchase order meet all applicable requirements and at minimum, include the following:
 - 1. Manufacturer's name and address;
 - 2. Manufacturer's and/or Buyer's part number and dash number, group number, or similar;
 - 3. Commodity or item level identification for the item(s) such as date codes, lot codes, heat codes, serializations, unique item identifiers, or batch identifications;
 - 4. Signature or stamp with title of Seller's authorized personnel signing the certificate
- I. Seller shall maintain complete records of all manufacturing, inspection, test and item level traceability that ensures tracking of the supply chain back to the manufacturer of the material being delivered per this order. This traceability method shall clearly identify the name and location of all of the supply chain intermediaries from the manufacturer to the direct source of the material for the seller, and shall include the manufacturer's commodity or item level identification for the item(s) such as date codes, lot codes, heat codes, serializations, unique item identifiers, or batch identifications. Records shall be made available to Buyer and Buyer's customers during the performance of this purchase order and at least 10 years after completion of the purchase order and for such longer periods, if any, as may be specified elsewhere in this purchase order. Upon request by Buyer, records shall be forward to Buyer at no additional cost within 30 days of request.
- J. "If suspect/counterfeit materials or components are furnished under this purchase agreement, such items shall be impounded. The Seller shall promptly replace such items with items acceptable to Nor-Ral Inc. and the Seller may be liable for all costs relating to impoundment, removal, and replacement. Nor-Ral Inc. may turn such items over to Authority Having Jurisdiction for investigation and reserves the right to withhold payment for the suspect items pending the results of the investigation. Any known instances of fraud or attempted fraud shall be documented in writing to Nor-Ral Inc..
- K. When a product or service upon inspection at the Buyer's location is found to be not in conformance the Buyer may issue to the external provider a non-conformance report.
- L. Seller shall make personnel aware of the requirements for product and service conformity, product safety and the ethical behavior per the AS9100 requirements.
- M. The Buyer's Control and monitoring of the external providers' performance shall be based on supplier on- time delivery acceptance and the number of Non-Conformances issued.

**LOCKHEED MARTIN AERONAUTICS COMPANY
FLOW DOWN OF ENGINEERING SPECIFICATION REQUIREMENTS**

The current revision, in effect as of the date of this purchase order, of each of the following specification documents, is hereby incorporated into this purchase order by this reference:

- 1. ENGINEERING PURCHASING SPECIFICATION (EPS) MANUAL
- 2. C-130 SPECIFICATIONS CONTENT LIST
- 3. F-22 MATERIALS & PROCESS ENGINEERING SPECIFICATIONS & STANDARD PARTS DOCUMENTS



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4. Q4R – FOREIGN OBJECT DEBRIS/DAMAGE (FOD) PREVENTION
5. PREFERRED PARTS HANDBOOK (PPH)
6. F-22 PARTS PROCUREMENT MANUAL (PPM)
7. STANDARD PROCESS SPECIFICATION (STP)
8. PROCESS SPECIFICATIONS AND PROCESS BULLETINS
9. STANDARD MATERIAL SPECIFICATIONS (STM)
10. APPENDIX QJ SELLER QUALITY REQUIREMENTS AND ADDENDUM TO APPEDIX QJ
11. APPENDIX QC SELLER QUALITY REQUIREMENTS STANDARD TERMS AND CONDITIONS
12. APPENDIX QX SUPPLIER QUALITY REQUIREMENTS.
 - a. INCLUDING SECTION 1.4 AS IT PERTAINS TO COUNTERFEIT PARTS PREVENTION
13. PM-5010 SUPPLIER/SELLER SHIPPING INSTRUCTIONS

Seller hereby agrees that (1) it has obtained or will obtain from Buyer each of such specification documents listed in 1 through 13 above and (2) in performance of its obligations in connection with this purchase order, Seller shall comply with such specification documents and all other requirements of this purchase order, unless Seller is otherwise directed by the Buyer.

The EPS manual, C-130 specification contents list, and F-22 materials & process engineering specifications & standard parts documents, items 1 through 4, can be accessed on the Lockheed Martin Aeronautics - Material Management website at <http://www.lockheedmartin.com/aeronautics/materialmanagement/>. A downloaded version of the Lockheed Martin Aeronautics Specification documents 5 through 9, are not available online and must be obtained from the Buyer.

Seller must have an appropriate fully executed Proprietary Information Agreement (PIA) with Lockheed Martin Aeronautics acting through and on behalf of its Lockheed Martin Aeronautics Company to gain access to such specification documents. If the Seller has not entered into any such PIA, it shall fill out the PIA found on the website referenced above and fax, the completed PIA to 770-494-8382, to the attention of the "PIA coordinator".

Seller shall include the language of the above text, starting with the title "Flow Down of Engineering Specification Requirements", in its entirety, including this paragraph, in the Seller's purchase orders with its Suppliers with instructions for it to be inserted in purchase orders at every tier where the Seller or its Suppliers at any tier may elect to use a Buyer approved source for an controlled process. Buyer approved sources and controlled processes can be found on the Lockheed Martin Aeronautics - Material Management website at: <http://www.lockheedmartin.com/aeronautics/materialmanagement/>.