



Kildeer Mountain Manufacturing, Inc.

Lockheed Martin Additional Terms and Conditions

Doc No: PUR0123

Doc Rev: G

Definition of Requirements: The word **shall** is used in the text of this document wherever there is a requirement for materials, preparation, process control or acceptance.

The word **should** reflects recommendations and is used to reflect general industry practices and procedures for guidance only.

1. Seller shall maintain a FOD prevention program in accordance with National Aerospace Standard NAS-412 Foreign Object Damage/Foreign Object Debris (FOD) Prevention, and shall adhere by Quality Clause Q4R FOD requirements at the current revision.
2. Seller shall adhere to Counterfeit Parts Prevention paragraphs a-d of Appendix QX at the latest revision.
3. Access to Facilities in compliance with Appendix QJ at the current level, paragraph C
 - a. Work under this PO is subject to Buyer's periodic surveillance/audit of Seller's compliance with Seller's internal procedures and other documents applicable to this PO.
 - b. Seller shall provide or obtain for the Buyer, Buyer's Customers and regulatory agency personnel, access to any and all facilities, including those facilities of Seller's subcontractors, where work is being performed or is scheduled to be performed. Buyer shall have the right to perform in-process inspections, audits or system surveillance at Seller's and Seller's subcontractors' facilities as part of verification of conformance to the requirements of this PO. Denial of any such access may result in inactivation of Seller's approval. Seller shall include the provisions of this facility access requirement in its POs with its subcontractors.
 - i. Seller shall provide, at no increase in price, cost or fee to Buyer, Government or appropriate regulatory agencies, suitable facilities at Seller and Seller's subcontractors' manufacturing locations for Buyer, Government, and regulatory agency representatives to perform compliance verification.
 - ii. Seller shall provide Buyer's Field Representative with internet access via one of the following methods:
 - Direct Non-Digital telephone line
 - ISDN line
 - DSL Line
 - High-Speed Internet Access via Seller's Network
4. Seller shall ensure all subtier purchase orders and/or associated purchase orders have:
 - a. a statement with the words, "Processing to be accomplished in performance of this purchase order is directly related to a Lockheed Martin Aeronautics Company purchase



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order and must be accomplished in accordance with the process specification(s) on this purchase order and Lockheed Martin Aeronautics Company Appendix QJ”.

- b. All Engineering, Quality, Shipping and Terms and Condition requirements of the Lockheed Martin website must be followed:
<http://www.lockheedmartin.com/us/aeronautics/materialmanagement.html>. Process specification(s) on this purchase order and the revision in effect as of the date of this PO of Lockheed Martin Aeronautics Company Appendix QJ. All requirements of such EMAPS/DSD, Appendix QJ paragraph 12. a.-f. shall be accomplished, also DS30000, TMS-MC-015, Q4R, and QX and special processes QCS-001. Applicable documents can be found on the Lockheed Martin network and should be followed to the latest revision.
 - c. Seller’s unique LM Aero identification number (“vendor code”) and all LM Aero unique “process codes” for each Buyer-controlled process to be performed.
 - d. A statement that the supplier must submit a Certificate of Conformance (“CofC”) with a unique certification number containing the following information:
 1. Title and specification number (including revision letter) of the process.
 2. Name and address of the process or non-destructive testing (NDT) facility.
 3. Sellers supplier’s unique LM Aero identification number (vendor or processor code)
 - a. If processor is utilized based on a NADCAP approval, a statement to the effect “Source utilized based on current Nadcap accreditation” shall be included.
 4. Date the CofC was issued
 5. Purchase order number
 6. Quantity of parts (to include quantity accepted/rejected)
 7. Signature and title of authorized quality agent of seller,
 8. Fracture durability classification or serialization, when required.
 - e. A statement to ensure seller’s sub-tiers suitably wraps, boxes or racks parts to guard against shipping damage and to apply rust or corrosion protection, and
 - f. A statement requiring seller’s sub-tier to identify specification(s) title, specific revision level(s) and drawing(s) requirement(s) to be performed by a QCS-001 source.
5. Seller shall verify that all items on a purchase orders from Buyer to Seller that are drop-shipped on behalf of Seller to Buyer adhere to the original packaging requirements of the purchase order.
 6. Counterfeit Parts / Material Prevention: Seller shall establish and maintain a Counterfeit Parts / Material Prevention and Control Plan using AS-5553 (Ref. elements of Section 4) and/or AS6174 (Ref. elements of Section 3) to ensure that Counterfeit Work is not delivered to Buyer. The purpose of Seller’s Plan shall be to develop a robust process to prevent the delivery of counterfeit commodities and control commodities identified as counterfeit.
 - a. For purposes of this clause, Work consists of those parts delivered under this Contract that are the lowest level of separately identifiable items (e.g., articles, components,



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- goods, and assemblies). "Counterfeit Work" means Work that is or contains items misrepresented as having been designed and/or produced under an approved system or other acceptable method. The term also includes approved Work that has reached a design life limit or has been damaged beyond possible repair, but is altered and misrepresented as acceptable.
- b. Seller agrees and shall ensure that Counterfeit Work is not delivered to Killdeer Mountain Manufacturing and/or Lockheed Martin.
 - c. Seller shall only purchase products to be delivered or incorporated as Work to Killdeer Mountain Manufacturing and/or Lockheed Martin directly from the Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM), or through an OCM/OEM authorized distributor chain. Work shall not be acquired from independent distributors or brokers unless approved in advance in writing by Killdeer Mountain Manufacturing and/or Lockheed Martin.
 - d. Seller shall immediately notify Killdeer Mountain Manufacturing and Lockheed Martin with the pertinent facts if SELLER becomes aware or suspects that it has furnished Counterfeit Work. When requested by Killdeer Mountain Manufacturing and/or Lockheed Martin, Seller shall provide OCM/OEM documentation that authenticates traceability of the affected items to the applicable OCM/OEM.
 - e. This clause applies in addition to any quality provision, specification, statement of work or other provision included in this Contract addressing the authenticity of Work. To the extent such provisions conflict with this clause, this clause prevails.
 - f. Seller shall include paragraphs (a) through (d) of this clause or equivalent provisions in lower tier subcontracts for the delivery of items that will be included in or furnished as Work to Lockheed Martin through Killdeer Mountain Manufacturing, Inc.
7. All shipments made under contracts between Killdeer Mountain Manufacturing, Inc. and Supplier in support of Lockheed Martin requirements are in full compliance with the below listed DFARS clauses to the extent they are applicable. The Supplier has the processes and procedures in place to sustain this compliance, including processes that ensure flow-down of these clauses to sub-tiers, as applicable.
- a. 252.225-7007 – Prohibition on Acquisition of United States Munitions List Items From Communist Chinese Military Companies
 - b. 252.225-7009 – Restriction on Acquisition of Certain Articles Containing Specialty Metals
 - c. 252.204-7008 – Requirements for Contracts Involving Export-Controlled Items
 - d. 252.225-7001 – Buy American and Balance of Payments Program
 - e. 252.225-7006 – Quarterly Reporting of Actual Contract Performance Outside the United States
 - f. 252.225-7013 – Duty Free Entry
 - g. 252.225-7016 – Restriction on Acquisition of Ball and Roller Bearings
 - h. 252.225-7021 – Trade Agreements
 - i. 252.225-7033 – Waiver of United Kingdom Levies

Revision History

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Rev.	Date	Detail of Changes	Revised	Approved
-	9/12/11	Initial Creation	Heath Braun 9/12/11	Erika Hedger 9/12/11
A	9/15/11	Placed procedure into the correct format.	Heath Braun 9/15/11	Erika Hedger 9/15/11
B	9-26-11	Added the TMS-MC-015 document to paragraph 4.	Erika Hedger 9-26-11	Erika Hedger 9-26-11
C	3/2/2012	Added flowdown instruction to comply with the Engineering, Quality/Shipping and Terms and condition requirements of LM material management website.	Ruth Lake 3/2/2012	Erika Hedger 3-7-12
D	6/25/2012	Changed section 4 to comply with Appendix QJ section 12 b.	Ruth Lake 6/25/2012	Erika Hedger 6- 25-2012
E	7-16-12	Added section 6	Heath Braun 7- 16-12	Erika Hedger 7- 16-12
F	12-10-12	Added beginning clause and paragraphs (e) and (f) to Section 6: Counterfeit Parts Prevention	Erika B	Ruth L
G	12-12-14	Added section 7	Erika B	Ruth L