

Appendix Q3L

Third-Party Logistics Quality Requirements

The latest issue to this document is the version that is available on the Lockheed Martin Aero website:

www.lockheedmartin.com/en-us/suppliers/business-area-procurement/aeronautics/quality-requirements/quality-appendices.html

The terms “Item(s)”, “PO”, “Seller” (or “Aircraft Service Provider”), and “Buyer” as used herein, have the same meaning as the terms “Work”, “Contract”, “SELLER”, and “LOCKHEED MARTIN”, respectively.

1.0 Quality Requirements – Seller shall meet the applicable requirements of the latest revision of Appendix Q3L in effect as of the date of the Request for Proposal (RFP), unless otherwise amended by Buyer and Seller prior to PO issuance.

- 1.1 Sellers providing services not associated with hazardous material or explosives shall:
 - a. ensure their quality system is ISO-9001 third party registered by an accredited registrar listed in the “On-Line Aerospace Supplier Information System” (OASIS) and meets the Quality System Requirements identified in this Appendix Q3L,
 - b. not outsource core contracted services as defined in the PO or by Buyer, unless approved in writing by Buyer.

- 1.2 Sellers providing services associated with hazardous material or explosives shall:
 - a. ensure their quality system is **compliant** to the Industry Standards identified in ISO-9001 and, upon Buyer’s written request, provide evidence of such compliance,
 - b. not outsource core contracted services as defined in the PO or by Buyer, unless approved in writing by Buyer.

2.0 Quality System Changes and Customer Findings

- 2.1 a. Seller shall notify Buyer’s Supplier Quality Engineer (SQE), in writing, within 10 days of any of the following:
 - i. change in its quality system status; or
 - ii. adverse action taken by Seller’s customer, a regulatory agency (e.g., DCMA, FAA, CAA, OSHA, DoD, EPA, TSA, etc.), a third-party registrar, or an International Government Agency.
- b. Seller’s notification shall include, but is not limited to, any of the following:
 - i. Issuance of any Level II or Level III Corrective Action Request (“CAR”) associated with Buyer’s Items, Seller’s Quality Management System, or Seller’s processes associated with Buyer’s Items,

- ii. Issuance of a major finding by a third-party registrar (if Seller holds a 3rd party certification), or
 - iii. Suspension of Seller's Government Source Inspection ("GSI").
 - 2.2 Seller shall provide actions taken or planned actions related to any events listed in 2.1 above with its written notification.
 - 2.3 Within 30 days of providing the above written notification, Seller shall provide to Buyer the approved corrective actions taken in response to any adverse actions reported in accordance with 2.1 above.
- 3.0 Sale, Relocation, Closure, or Transfer of Operations** – Seller shall notify Buyer's SQE and Purchasing Agent, in writing, at least 90 days in advance of any sale, relocation, closure, or transfer of Seller's operations (subject to any legal or regulatory restrictions). Seller shall include the following, as a minimum, in the written notification:
 - Purpose of the relocation,
 - Address of the new location
 - Assessment of actual or potential impact to current POs,
 - Risk mitigation plan to ensure compliance to existing requirements,
 - Plan defining the identification, storage, protection, retrieval, and retention of records,
 - Master schedule and timeline of relocation activities, and
 - Relocation Coordinator/Point of Contact
- 4.0 Language** – Seller documents and records submitted to Buyer shall be in English.
- 5.0 Certificate of Conformance** – Seller shall include any Buyer-provided CoC inside the product's package.
- 6.0 Environmental Controls** – Seller shall implement appropriate environmental controls for the preservation of Buyer's products. Environmental controls include, but are not limited to, temperature control and special handling for hazardous materials, as specified in the PO. Objective evidence of environmental controls (i.e., monitored and calibrated temperature devices,) shall be made available. Historical records shall be maintained.
- 7.0 Foreign Object Damage Control** – Seller shall maintain a FOD prevention program that is compliant to AS9146, Foreign Object Damage (FOD) Prevention Program – Requirements for Aviation, Space and Defense Organizations.
- 8.0 Damage** – Seller shall notify Buyer's SQE and Purchasing Agent of Seller-responsible damage to items during routine handling, to include kitting. For LM owned assets, and when directed by the SQE, Seller shall initiate a Supplier Quality Assurance Report (SQAR) utilizing the on-line system located at: www.lockheedmartin.com/en-us/suppliers/business-area-procurement/aeronautics/quality-requirements/corrective-action.html

9.0 Records – Seller shall:

- a. Maintain complete records of non-conformances, dispositions, assignable causes, corrective and preventive actions, and effectiveness of corrective actions.
- b. Make such records available for at least three (3) years after completion of this PO, or for longer periods if specified elsewhere in this PO; and
- c. Upon Buyer's request, forward such records to Buyer.
- d. If Seller ceases operations, Seller shall notify Buyer, in writing, within ten (10) business days of decision to cease operations and transfer records to Buyer in accordance with Buyer direction and information at:
www.lockheedmartin.com/content/dam/lockheed-martin/aero/documents/scm/Quality-Requirements/Information/RecordsShippingAddress.pdf

10.0 Facility Access, Inspection, Surveillance, and Surveys:

- a. Buyer reserves the right to perform item inspections, surveys, or system/process surveillance as part of its verification of conformance to the requirements of this PO.
- b. Seller shall provide or obtain for Buyer, Buyer's customers and regulatory agency personnel, access to any and all facilities where work is being performed or is scheduled to be performed, including those facilities of Seller's agents and subcontractors, in order to perform Item inspections, surveys or system/process surveillance as part of verification of conformance to the requirements of this PO.
- c. Seller shall provide suitable facilities at Seller's location for Buyer or Buyer's SQE to perform the tasks in 10.a. above, to include high speed Internet access.
- d. Seller shall make access available to regulatory agency personnel and Buyer's customer representatives.

11.0 Corrective Action, Preventive Action, Request, and Reporting – Seller shall:

- a. ensure effective corrective and preventive action is taken to prevent, minimize, or eliminate improper material handling/storage, material damage, improper kitting, or any other Seller responsible issues.
- b. provide effective corrective and preventive action and trend data upon request by Buyer; and
- e. ensure Seller's quality system has the capability to report any occurrences of improper material handling/storage, material damage, improper kitting, or other Seller responsible issues.

12.0 Calibration – Seller shall maintain a system for calibration and maintenance of tools, jigs, inspection and test equipment, scales and environmental control gages that is compliant with an industry recognized standard (e.g., ISO17025, ISO10012-1, ANSI Z540, etc.).

13.0 Use of Buyer or Customer Owned Special Tooling – Special tooling (ST) is defined as jigs, dies, fixtures, molds, patterns, taps, gauges and all components of these items, including foundations and similar improvements necessary for installing and using ST, and which are of such a specialized nature that without substantial modification or alteration their use is limited to the development, production of particular supplies or parts thereof or to the performance of a particular service. Reference FAR Part 2.101.

Seller using Buyer or Customer owned ST has the following Seller actions in support of ST:

- a. **Repair** – Seller shall report to Buyer when ST is broken, missing details or mechanism does not function properly. Seller shall report these items on a Seller Aircraft Tooling Report (SATR) utilizing the on-line system located at: www.lockheedmartin.com/en-us/suppliers/business-area-procurement/aeronautics/quality-requirements/corrective-action.html
- b. **Maintenance** – Seller shall maintain ST when tool has Design Standard (DS) items are worn, damaged or missing such as, but not limited to, cap screws, bolts, nuts, washers that wear over time.
 - i. Buyer will provide Seller ST design aids, suppliers and part numbers of authorized maintenance items for each ST by tool number.
 - ii. Seller shall maintain adequate stock of ST maintenance items for use to not interrupt material flow to Buyer or Buyer's customers.
 - iii. Records shall be maintained and shall include: (1) tool number; (2) tool code; (3) description of maintenance activity performed; and (4) quality acceptance evidence
- c. **Periodic Inspection and Verification (PI/V)** – Seller shall promptly return ST to Buyer upon request when PI/V requirements exist.
- d. **Inventory** – Seller shall report current ST on-hand inventory upon request by Buyer. The report should include the ST by tool number, quantity and condition of tool.