

CENTURY FASTENERS CORP. QUALITY TERMS AND CONDITIONS

CLAUSE NUMBER: 01000-SQ-NG T&C-109

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EFFECTIVE: 05/31/2024

COUNTERFEIT PARTS PREVENTION – LMMFC 1872

For Sellers of Electronic, Electrical, Electromechanical (EEE) parts, materials, mechanical parts, commodity Parts, and non-sub assembly products, the Seller shall be one of the following: original source manufacturers, franchised distributors or authorized aftermarket manufacturers as defined in AS5553. Seller shall notify the LM MFC Buyer of any exceptions to the foregoing requirement and ensure approval prior to delivery. For Sellers of sub-assemblies and system level products, the Seller shall purchase parts directly from one of the following: original source manufacturers, franchised distributors or authorized aftermarket manufacturers as defined in AS5553. Seller shall notify the LM MFC Buyer of any related exceptions to the foregoing requirement and ensure approval prior to incorporating into sub-assemblies intended for delivery to LM MFC. Seller shall not deliver to Lockheed Martin any work, components or material purchased either directly or indirectly through brokers, independent distributors or 3rd party distributors as defined in AS5553, without prior written approval from the Lockheed Martin Purchasing Representative. This approval to use brokers, et al, will require the submittal of a comprehensive risk mitigation test plan to screen procured parts for counterfeit sources. Seller shall implement systems that assure complete traceability (i.e. Supply Chain Traceability as defined in AS5553) to the original source of manufacture. This requirement applies to all work delivered to Lockheed Martin either directly or indirectly as components or included in assemblies. Traceability methods shall clearly identify the name and location of all of the supply chain intermediaries from the original manufacturer including build identification such as date codes, lot codes, melt and heat treatment lot, serialization or other batch identification. Seller shall not deliver work that contains counterfeit items including, but not limited to, software, material and electrical/mechanical parts /assemblies. Seller and its sub-tiers shall comply with the requirements of AS5553. The Seller shall ensure that only new and authentic materials are incorporated into work delivered under this contract. (For repair contracts, this new material only clause applies to the new material required for the repair. No counterfeit material is allowed to be introduced as part of the repair). This entire note shall be flowed down to all sub-tier suppliers under this contract and seller provided evidence of compliance to this note upon request.