1.0 REFERENCES

- Army Regulation (AR) 530-1: Operations Security
- Army Regulation 190-11: Physical Security of Arms, Ammunition, and Explosives (AA&E)
- Code of Federal Regulations (CFR) Title 49, Part 173, sections 57 through 60 (Latest revision unless specified otherwise)
- CFR Title 29, Part 1904 (Latest revision unless specified otherwise): Recording and Reporting Occupational Injuries and Illnesses
- Department of the Army Pamphlet 385–64 A&E Safety Standards (Latest Version)
- DFARS Clause 252.204-7012: Safeguarding Covered Defense Information and Cyber Incident Reporting
- DoD 4145.26-M (Latest version): Department of Defense (DoD) Contractor's Safety Manual for Ammunition & Explosives
- DoD 5100.76-M (Latest version): Physical Security of Sensitive Conventional AA&E
- Department of Defense Instruction (DoDI) 5200.48: Controlled Unclassified Information (CUI)
- DI-MGMT-80934C (Latest revision unless specified otherwise): Operations Security (OPSEC) Planf
- DI-SAFT-81563 (Latest revision unless specified otherwise): Accident/Incident Report
- DI-SAFT-80970 (Latest revision unless specified otherwise): Failure Analysis and Corrective Action Report (FACAR)
- DI-SESS-81927 (Latest revision unless specified otherwise): Failure Analysis and Corrective Action Report (FACAR) (NAVY)
- Executive Order (EO) 12470: Continuation of Export Control Regulations
- Export Administration Act of 1979, as amended, Title 50, U.S.C., App. 2401 et seq.
- International Standards for Phytosanitary Measures (ISPM) 15: Wood Packaging Material (WPM)
- ISO 9001 (Latest Version): Quality Management Systems – Requirements
- ISO/IEC 17025 (Latest version): General Requirements for the Competence of Testing and Calibration Laboratories
- MIL-STD-1168 (As defined in the Technical Data Package List (TDPL)): DoD Standard Practice, Ammunition Lot Numbering and Ammunition Data Card
- MIL-STD-1916 (As defined in the TDPL): Military Standard, DoD Preferred Methods for Acceptance of Product
- Militarily Critical Technologies List (MCTL) (Latest version)
- NIST SP 800-171 (Latest revision unless specified otherwise): Protecting Controlled Unclassified Information in Nonfederal Systems and Organizations
- Occupational Safety and Health Administration (OSHA) Blue Book
- Public Law 90-629, "Arms Export Control Act," as amended (22 U.S.C. 2751 et. seq.)
- Title 29 CFR, Part 1904.7 OSHA-Reporting Occupational Injuries and Illness

2.0 REQUIREMENTS

2.1 BUILD TO PRINT

The subcontractor shall be responsible for manufacturing and inspecting product to be in compliance with the QAP and every drawing characteristic and drawing note defined for the component. Inspections of those characteristics, not identified in the QAP, may include approaches such as tool control, CNC program control, or other in- process verifications.

Note: Changes outlined within ECPs/RFVs may supersede drawing or QAP requirements.

2.2 SUBCONTRACTOR DIRECTION

All direction concerning subcontracts shall only be authorized through the General Dynamics Ordnance and Tactical Systems (GD-OTS) Supply Chain Representative (SCR) such as Supply Chain Manager, Subcontract Administrator, or Buyer. No other GD-OTS representative is authorized to make any commitment to the Subcontractor or make any change to the terms, conditions, or technical provisions of the subcontract.

2.3 QUALITY MANAGEMENT SYSTEM (ISO 9001)

The Subcontractor shall maintain a Quality Management System (QMS) in accordance with the latest version of ISO 9001 or equivalent, and any supplemental requirements as specified in the subcontract. If the supplier desires to utilize an equivalent or alternate QMS, a request shall be submitted to the GD-OTS SCR to obtain written approval. Exclusion for design and development does not need approval if the supplier is providing products and/or services not requiring this type of effort. Annually, the Subcontractor shall provide GD-OTS a copy of their current QMS certification, submitted as QCD (S1-11).

Strategic Quality Planning Meeting GD-OTS Quality Engineering will schedule a Strategic Quality Planning Meeting to discuss Program Quality Clause Deliverables (QCD), delivery date requirements and special requirements as defined in the subcontract in advance of the award of the Purchase Order (PO). At a minimum, subcontractor attendees should include Supplier's Quality Management and Quality Engineering.

The meeting will be structured to have a free exchange of ideas to reach agreement on optimal QCD completion, submittal, and review schedule. Topics of Discussion at the meeting could include:

- Review of the QCD Requirements
- Review of Quality Clause Requirements
- QCD Submission Timing Requirements
- Special Requirements
- Supplier Integrated Master Schedule
- Supplier Quality Rating
- Supplier Production and Delivery Schedule

2.4 Program Integrated Product Team (IPT) Structure

IPTs shall be established by GD-OTS and the subcontractor as appropriate, for specific functional areas or subsystems. GD-OTS will conduct re-occurring meetings to discuss programmatic, test, quality, and manufacturing topics/issues, with the subcontractor. GD-OTS is responsible for providing agenda, meeting minutes, and presentation material. As needed, the subcontractor will attend the GD-OTS led, United States Government (USG) IPT.

2.5 Subcontractor Audits

Subcontractors are expected to maintain their own Internal and Supplier Audit Program, including an updated audit schedule. GD-OTS and/or the USG reserve the right to audit the subcontractor and/or sub-tier supplier(s) facilities which may include QMS, Statistical Process Control (SPC), Calibration, Safety, Security, and/or Manufacturing and Inspection Process audits as needed to verify compliance to subcontract/PO requirements. The supplier's ISO accreditation does not relieve the supplier from audits from GD-OTS. Any requests by a supplier for relief of GD-OTS or USG audits shall be requested in writing and relief may be granted only by GD-OTS Quality Director in writing to the subcontractor.

2.6 Inspection Test and Acceptance

The subcontractor is responsible to obtain all applicable documentation and perform all applicable inspections and/or tests required by the applicable subcontract to ensure full compliance to all drawings and/or technical specification requirements for the procured items and/or services prior to shipment. Whether quantitative, qualitative, attribute and/or variable; the subcontractor shall ensure that there is adequate Objective Quality Evidence (OQE) documentation to indicate the acceptance status of the procured items and/or services provided under this subcontract. OQE includes any documentation generated during the production and inspection of product pertaining to the quality of the product or service based on observations, measurements, or tests that can be verified, whether quantitative or qualitative. Evidence shall be expressed in terms of specific quality requirements or characteristics. These characteristics are identified in drawings, specifications, and other technical data that describes the item, process, or procedure. The subcontractor shall not return items or sublevel items into a deliverable lot that were utilized during a destructive inspection or test or any item or sublevel item in which may no longer meet the item specification due to excessive handling, damage, or exposure to the environment without written authorization by GD-OTS.

2.7 DoD Preferred Methods for Acceptance of Product (MIL-STD-1916)

Unless otherwise directed in writing by GD-OTS; MIL-STD-1916 shall be utilized for this subcontract. All references to MIL-STD-105, MIL-STD-414, MIL-STD-1235, and ANSI Z1.4 appearing in the TDPL shall be replaced by MIL-STD-1916. Unless otherwise stated in QAP, the following Verification Levels (VL) must be used:

a) All characteristics classified as "Critical" shall be verified 100% by Automated Acceptance Inspection Equipment (AAIE)

b) All characteristics classified as "Major" shall be verified with a minimum VL of IV

2.8 Product Traceability and Lot Control

Product traceability and Lot control are required on all materials, hardware, chemicals, items, components, services and/or assemblies produced under this subcontract. Identification, traceability, and evidence of the acceptance status shall be maintained throughout the entire manufacturing, assembly, and/or service process. These materials, hardware, chemicals, items, components, services and/or assemblies that are used to produce these deliverable item(s) and/or services(s) for GD-OTS shall be traceable through an unbroken chain of documentation and shall be available to GD-OTS and/or the USG upon request. This includes both supplied Customer Furnished Material (CFM) and/or Government Furnished Material (GFM) that is consumed during the deliverable item(s) and/or service(s) process.

Anytime a GD-OTS Part Number (PN) and/or Lot Number is used, subcontractor reports will utilize those GD-OTS numbers in addition to any new subcontract numbering utilized. This will facilitate an efficient reconciliation with the GD-OTS system.

2.9 Quality Program Plan

The Subcontractor shall maintain a documented quality program plan or similar combination of documents in accordance with the subcontractor's quality management system. The plan/documents shall include sections covering Inspection/Test Plan, Acceptance Inspection Equipment (AIE), Process Control Documentation, Critical Defect Program (as applicable), and Rework at a minimum. These documents shall be available for GD-OTS and/or USG review upon request.

2.10 Supplier Rating Score

GD-OTS utilizes a formal Supplier Rating System to rate the overall performance of suppliers, these ratings are given semi-annually. Supplier performance will be evaluated, in part, based on the timely submittal of QCDs and special requirements defined in the subcontract. Delivery of QCDs is key to customer satisfaction and provides Objective Evidence of the Quality of end item product and will reflect in the Supplier Quality Rating (SQR).

2.11 Ammunition Lot Numbering

MIL-STD-1168 lot numbers shall be used for all ammunition end items and their major components, including inert, dummy, or non-energetic items and components. Detailed requirements and guidance for Ammunition Lot Numbers are contained in MIL-STD-1168 including detailed requirements for obtaining and using a manufacturer's identification symbol, which is an integral component of the ammunition lot number.

2.12 Calibration of Measuring & Test Equipment

The subcontractor shall implement a system for the calibration and control of all Measuring & Test Equipment (M&TE) measuring and testing equipment used for the performance of this subcontract. The calibration system shall, as a minimum, comply with the requirements of International Organization for Standardization/International Electrotechnical Commission (ISO/IEC) 17025 or an industry equivalent system acceptable to GD-OTS and/or the USG. Standards used to calibrate all M&TE shall be traceable to the National Institute of Standards and Technology (NIST). For international suppliers, standards used to

calibrate all M&TE shall be traceable to the approved measurement standards used in the supplier's country.

2.13 CUSTOMER SOURCE INSPECTION (CSI)

Procurement of the subcontract item, assembly, and/or service may be subject to CSI by GD-OTS prior to shipment or completion of the provided item or service. Prior to shipment of the item, assembly, or completion of service, the subcontractor shall contact the GD-OTS SCR to schedule CSI, QCD (S1-7). A minimum of 14 calendar days notice is required prior to planned shipment date, to allow sufficient time to schedule travel or determine if CSI will be waived. If GD-OTS decides to waive CSI, the subcontractor must obtain this CSI waiver in writing through the SCR. If CSI is waived, a request to the subcontractor may be made through the SCR for specific OQE documentation to determine acceptance status of the applicable item(s). GD-OTS may also consider performing in-process CSI to expedite the delivery of the item, assembly, or service.

If CSI is to be performed, it shall be scheduled prior to Government Source Inspection (GSI) if applicable. CSI shall not constitute acceptance of the product and/or service and shall not in any way replace subcontractor inspections and/or otherwise relieve the supplier of the responsibility to furnish a compliant item(s) and/or service. Reasonable access to the subcontractor or sub-tier supplier's facilities, processes, and/or equipment shall be made available to perform CSI.

2.14 GOVERNMENT SOURCE INSPECTION

"U.S. Government contracts only": GSI is required for all First Article Acceptance Tests (FAAT), Physical Configuration Audits (PCA), and may be required for products and/or services provided prior to shipment. Requirements for GSI will be identified in the PO. When GSI is imposed, the subcontractor is to coordinate with the USG Quality Assurance Representative (QAR) who normally services the subcontractor's facility so that scheduling of GSI can be accomplished. Please be advised that when GSI delegation is flowed down to sub-tier suppliers of the products and/or services, early coordination with the USG QAR is imperative,

Upon receipt of the PO, promptly furnish a copy of the purchasing documentation directly to the USG QAR who normally services the subcontractor's facility. The USG reserves the right to inspect all products and/or services at the subcontractor's facility, including those not manufactured or performed within the subcontractor's facility. All documentation, referenced data, and information for purchases applying to a USG contract shall be available for review by the USG representative to determine compliance with the requirements for the control of such purchases. Copies of purchasing documents required for USG purposes shall be furnished in accordance with the instructions of the USG QAR. When Lot Acceptance Test (LAT) samples are required by the specification and/or subcontract, they shall be randomly selected from the production lot in the presence of the USG QAR, or as agreed upon in writing by the USG QAR. If the USG QAR is not able to witness the random selection of the LAT samples, the written agreed to approach, signed by USG QAR and the LAP facility Quality Manager, shall be provided to GD-OTS. The acceptable methodology for random selection will be to create bands of serial numbers that are roughly equal in size. The total number of bands should equal the number of test (or retest) units required. One unit will then be randomly selected from each band.

During the performance of this subcontract, the subcontractor's QMS, manufacturing, test, and inspection processes are subject to review, verification, audit, and analysis by authorized USG representatives.

GD-OTS shall immediately be notified if a Government Corrective Action Request (GCAR) or Product Deficiency Quality Report (PDQR) is issued to the subcontractor or a sub-tier supplier of the subcontractor during the reference contract. The subcontractor shall keep GD-OTS informed throughout the root cause and corrective action process including Government approval and follow-up of the corrective action. It is suggested that the subcontractor works with GD-OTS to ensure the corrective action request is processed and corrective and preventive action are implemented in a timely manner.

2.15 Non-Conforming Material

The subcontractor shall establish and maintain an effective system for controlling non-conforming material, including procedures for the identification, segregation, presentation, and disposition of materials. All nonconforming material shall be segregated and positively identified to prevent use, shipment and intermingling with conforming material. Non-conformances identified during the inspection/test step of the process shall be documented on a nonconformance report / defect report. All non-conforming material reports shall be made available to GD-OTS. Non-conforming material holding areas shall be used to prevent the use of the nonconforming material. Note: Rework or Repair of nonconforming materials must be approved by GD-OTS.

Any nonconformities that are produced as a result of the subcontractors' production process (and subcontractors storage process if material is provided as CFM or GFM) shall identify the nonconformity, root cause, and quantity. Nonconforming product with different failure modes shall not be identified on the same nonconforming report. Each individual nonconforming component shall be individually confirmed to be nonconforming by the subcontractor.

The subcontractor shall notify GD-OTS after discovery of any Nonconformance within 16 hrs of event that may exist in delivered product (reference S1-12). The notification shall include a description of the nonconformance or noncompliance, potential risk or product impact, GD-OTS PO number, PN, lot number, affected serial numbers, and quantity of nonconforming or noncompliant parts. This requirement also applies to sub-tier suppliers.

2.16 GD-OTS Quality Alert

The GD-OTS Quality Alert is a form of communication of quality issues that may or may not require the supplier to take formal action. The Quality Alert is intended to document and quickly identify issues to prevent further issues. When a Quality Alert is issued, the supplier shall acknowledge receipt of the Quality Alert within one business day. All official Quality Alerts will be issued by GD-OTS SCR.

2.17 Item and/or Lot Rejection

In the event a lot or item(s) is rejected by GD-OTS and/or the USG, a Supplier Corrective Action Request (SCAR) may be issued to the subcontractor requiring that root cause analysis, corrective, and preventive action be implemented. The subcontractor shall segregate and maintain the identity of all items and/or lots

rejected as non-conforming material until such time when the items have been reworked, repaired, re-inspected and/or re-tested and determined to be acceptable by GD-OTS and/or the USG. The subcontractor is not authorized to make any Material Review Board (MRB) decisions dispositioning non-conforming material as Use-As-Is, Rework, and/or Repair without written authorization from GD-OTS. All rework and/or repair procedures shall be submitted for approval prior to performing rework and/or repair efforts.

2.18 Counterfeit Parts Prevention

The acquisition and supply of counterfeit parts and/or materials to GD-OTS is strictly prohibited. The subcontractor shall implement processes and preventive procedures to ensure counterfeit parts are not supplied to GD-OTS. Refer to the Terms and Conditions (T&C) of the subcontract/PO for more information related to this topic.

2.19 Failure Analysis and Corrective Action

The subcontractor shall implement a Corrective and Preventive Action system to include Failure Analysis of any product or process that affects the performance or safety of an entire lot or large group of products. That the failure of which, can impact product deliveries. GD-OTS will actively support the subcontractor(s) to identify the root cause(s) of the failure and to implement corrective and preventive actions. The subcontractor is required to support any failure analysis investigation required as a result of a critical defect, a First Article Test (FAT), a PCA, a LAT, a ballistic test, or a failure impacting product performance or safety. The core team for a failure analysis investigation typically is composed of both subcontractor and GD-OTS representatives.

2.20 Critical Characteristic Failure

If a critical characteristic failure occurs, the subcontractor shall immediately notify GD-OTS via phone call within 16 hours of discovering a failure through the SCR. If the SCR is unreachable, the supplier will contact the PM and will continue to attempt to contact GD-OTS personnel until a GD-OTS representative is spoken with and notified. GD-OTS shall determine whether or not the failure requires a Failure Analysis Investigation. If a Failure Analysis Investigation is required, the core team will be established, and a joint conference call will be scheduled to kick-off the effort within 48 hours of GD-OTS notification. The subcontractor shall follow-up with a Failure Analysis and Corrective Action Report.

The FACAR may be in the contractor's format, but GD-OTS strongly suggests utilization of an Eight Disciplines of Problem Solving (8D) format. The 8D is a problem-solving methodology designed to find the root cause of a problem, devise a short-term fix, and implement a long-term solution to prevent recurring problems. If the subcontractor does not have an available 8D template, GD-OTS will provide this template upon request through the SCR.

The format and content of the FACAR for Navy specific programs shall be in accordance with DI-SESS-81927. The format and content of the FACAR for all other programs shall be in accordance with DI-SAFT-80970. QCD submission requirements shall be in accordance with QCD S1-1 in Section 4.0 of this document.

2.21 Destructive Testing

The subcontractor shall not reuse any components or assemblies that have been used in a destructive test. Those inspections and tests which are of a destructive nature shall be performed upon additional sample parts selected from the same lot(s) or batch(es) from which the First Article (FA), PCA, or production lot was selected. Where destructive testing of items or components thereof is required by contract or specification, the number of items or components required to be destructively tested shall be in addition to the quantity to be delivered for this subcontract.

2.22 Ammunition and Explosive Safety Compliance

The subcontractor is responsible to develop and maintain a safety program that is compliant to the DoD Contractor's Safety Manual for Ammunition and Explosives DoD 4145.26-M.

a) The subcontractor shall comply with Paragraph F, Chapter 1 of DoD 4145.26M. GD-OTS and the USG Contracting Officer must approve the plan in accordance with bullet a) prior to the subcontractor disposal.

In addition, the following apply to Government-Owned, Contractor-Operated (GOCO) subcontractors.

a) Whenever the subcontractor uses a USG facility, he shall comply with the local safety requirements of that facility. The subcontractor shall comply with the requirements of the Department of the Army Pamphlet 385-64, Safety, Ammunition and Explosives Safety Program in effect on the date of this subcontract.

b) The subcontractor shall use the safety data provided in the Hazardous Component Safety Data Sheets. When the subcontractor requests GD-OTS approval, GD-OTS will contact the USG Contracting Officer for approval. The Contracting Officer will arrange a Defense Logistics Agency pre-award safety survey for each subcontractor.

2.22.1 Accidents, Incidents, and Unusual Occurrence Reporting

The Subcontractor shall report immediately any major accident/incident (including fire) resulting in any one or more of the following: one or more fatalities, one or more disabling injuries; damage of Government or Customer property exceeding $10,000; affecting program planning or production schedules; degrading the safety of equipment under contract, such that personal injury or property damage could result; and identifying a potential hazard requiring corrective action. Additionally, GD-OTS and/or its customer(s) reserve the right to investigate any accident/incident reported. The subcontractor shall prepare and submit all reports in accordance with the format and content of DI-SAFT-81563 for each accident/incident. The Subcontractor shall also immediately notify GD-OTS through the of any unusual or extraordinary occurrences which could detrimentally affect safety, security, schedule, and/or performance of the item or service being provided under this subcontract/PO. This includes process control failures, excessive rejects, facility shut-downs, unplanned downtime and USG written corrective action requests issued to the subcontractor. The subcontractor shall prepare and submit all reports in accordance with the format and content of DI-SAFT-81563 for each accident/incident or occurrence.

2.22.2 Security Incident Reporting

The Subcontractor shall provide GD-OTS with immediate notification and information concerning any security incident relative to Arms, Ammunition, & Explosives (AA&E), and any related effects on production and/or delivery schedule, and manufacture. Applicable reference is DoD 5100.76-M; Physical Security of Sensitive Conventional Arms, Ammunition, and Explosives. The following security incidents require investigating and reporting within 72 hours of the security incident being identified:

a) All AA&E thefts and losses
b) Any armed robbery or attempted armed robbery of AA&E
c) Forced entry or attempted forced entry into AA&E areas
d) Evidence of illegal trafficking in AA&E
e) Evidence of terrorist activity directed against AA&E areas

Format: The initial report shall be made by telephone, email, or in person, whichever is faster within 16 hours of incident. Followed by a formal written report within 72 hours. Bi-weekly reports shall be submitted until the conclusive final report submission.

Telephonic and written report will consist of, at a minimum, the following:

a) Subcontractors name and location or GD-OTS operating facility name and location
b) Contract, sub-contract, and/or PO number
c) Date, local time, actual location of incident
d) Category (lost, stolen, attempted, etc.)
e) Complete item description (Nomenclature, Hazard Classification, lot number)
f) Net Explosive Weight (NEW) or quantity of item
g) Corrective action taken or planned
h) Effect on production/delivery
i) Name, title or position, phone number of submitting individual
j) Remarks

The subcontractor shall prepare and submit the report in accordance with the format and content of DI-SAFT-81563 for each incident. QCD submission requirements shall be in accordance with QCD (S1-2) in Section 4.0 of this document.

2.22.3 Energetics Accident/Incident Reporting

The Subcontractor shall provide GD-OTS with immediate notification and information concerning any major accident or incident relative to employee safety or injury, damage of Government property, and any related effects on production/delivery schedule(s) and manufacture in accordance with; DoD 4145.26-M. The following energetics accident/incidents require investigating and reporting any accident, incident, and/or mishap (including fire or test incident) related to energetic materials such as ignition materials, propellants, and explosives used in ammunition resulting in:

a) One or more fatalities

b) One or more lost-workday cases (refer to Occupational Safety and Health Administration (OSHA) Blue Book lost-workday injury case guidelines
c) Five or more nonfatal injuries without lost workdays, or two or more disabling injuries
d) Damage to Government property exceeding $10,000.00
e) Delay in delivery schedule exceeding 24 hours (this requirement is not to be construed as a waiver of any delivery schedules mandated by subcontract)
f) Mishaps that are reportable in accordance with specific contractual requirements other than bullets a) through e) above.
g) Any mishap that may degrade operational or production capability
h) Any mishap that is likely to arouse unusual media interest due to exceptional circumstances

Format: The initial report shall be made by telephone, email, or in person, whichever is faster within 3 hours of accident/incident. Followed by a formal written report within 2 business days in accordance with Chapter 2 of DoD 4145.26-M. Reports shall be updated and submitted every 30 calendar days until the conclusive final report submission.

Telephonic and written report will consist of, at a minimum, the following:

a) Subcontractor name and location or GD-OTS operating facility name and location
b) Date, local time, and plant/facility location of the accident/incident
c) Category of accident/incident (explosion, fire, test incident, etc.)
d) Contract, sub-contract, and/or PO number
e) Item nomenclature, Hazard Classification, lot number
f) Narrative (or abstract) or events pertaining to the accident/incident, name and specification or item under test when incident occurred
g) Number of injuries/fatalities and degree of injuries
h) Description of property damage and approximate damage cost
i) Quantity of explosives involved (pounds, units, rounds)
j) Probable cause(s)
k) Corrective action taken or planned
l) Effect on production/delivery
m) Name, title or position, and phone number of individual submitting report
n) Remarks

The subcontractor shall prepare and submit the report in accordance with the format and content of DI-SAFT-81563 for each incident. QCD submission requirements shall be in accordance with QCD (S1-3) in Section 4.4.0 of this document.

2.22.4 OSHA Accident/Incident Reporting

The Subcontractor shall report immediately (with detailed information) any reportable accident or incident relative to employee illness or injury in accordance with Title 29 CFR, Part 1904.7 OSHA-Reporting Occupational Injuries and Illness, and any related effects on production/delivery schedule(s) and manufacture. This OSHA Accident/Incident Reporting requires investigation and

reporting of any work-related accident, incident, mishap, illness, or injury not related to energetic materials such as ignition materials, propellants, and explosives used in ammunition resulting in one or more of the following:

a) Death
b) Days away from work
c) Restricted work or transfer to another job
d) Medical treatment beyond first aid
e) Loss of consciousness
f) A significant injury or illness diagnosed by a physician or other licensed health care professional

Format: The initial report shall be made by telephone, email, or in person, whichever is faster within 3 hours of accident/incident. Followed by a formal written report as outlined in Title 29 CFR for illness, injury, hospitalization, loss of eye, or fatality. All information will be of a factual and non-speculative nature.

Telephonic and written report will consist of, at a minimum, the following:

a) Subcontractor name and location or GD-OTS operating facility name and location
b) Date, local time, and plant/facility location of the accident/incident
c) Category of accident/incident (fatality, injury, hospitalization, etc.)
d) Contract, subcontract, and/or PO
e) Victim information
f) Number of injuries/fatalities and degree of injuries
g) Illness or Injury
h) Probable cause(s)
i) Corrective action taken or planned
j) Effect on production/delivery
k) Name, title or position, and phone number of individual submitting report
l) Remarks

The subcontractor shall prepare and submit the report in accordance with the format and content of DI-SAFT-81563 for each incident. QCD submission requirements shall be in accordance with QCD (S1-4) in Section 4.0 of this document.

2.23 SECURITY AND INFORMATION PROTECTION

2.23.1 Security Requirements

The subcontractor shall be responsible for ensuring all security related requirements are 'flowed down' to their lower tier subcontractors. The subcontractor shall provide adequate physical, transportation and informational security of USG property including test hardware, ammunition, technical data and proprietary information. The subcontractor shall protect sensitive ammunition, and explosives manufactured for the USG or provided as GFM/Government Furnished Equipment

(GFE) and satisfy security standards requirements of Department of Defense (DoD) Directive 5100.76-M and Army Regulation 190-11.

2.23.2 Export Control Requirements:

Information Subject to Export Control Laws/International Traffic in Arms Regulation (ITAR): Public Law 90-629, "Arms Export Control Act," as amended (22 U.S.C. 2751 et. seq.) requires all unclassified technical data with military application may not be exported lawfully without an approval, authorization, or license under Executive Order (EO) 12470 or the Arms Export Control Act and that such data require an approval, authorization, or license for export under EO 12470 or the Arms Export Control Act. For purposes of making this determination, the Militarily Critical Technologies List (MCTL) shall be used as general guidance.

All documents determined to contain export controlled technical data will be marked with the following notice: WARNING – This document contains technical data whose export is restricted by the Arms Export Control Act (Title 22, U.S.C., and Sec 2751, et seq.) or the Export Administration Act of 1979, as amended, Title 50, U.S.C., App. 2401 et seq. Violations of these export laws are subject to severe criminal penalties. Disseminate in accordance with provisions of DoD Directive 5230.25.

2.23.3 Information Protection:

Information or data developed under this contract is the property of the USG. All rights are reserved to the USG. The subcontractor shall not distribute or use the information and data.

2.23.4 Controlled Unclassified Information (CUI):

CUI is Government information to which access or distribution limitations have been applied in accordance with applicable national laws or regulations. CUI is unclassified, but has been determined by designated officials to be exempt from public disclosure under the Freedom of Information Act (FOIA).

Subcontractor employees that will require access to CUI will follow all DoD (DoDI 5200.48) and Army policies regarding access to CUI, and the handling, storage, transmission, and destruction of CUI. Subcontractor employees are required to complete initial CUI training (available at https://securityawareness.usalearning.gov/cui/index.html) within 30 days of the acceptance of the PO, and then annually thereafter. **CUI may not be transmitted electronically (e.g., data, website, or e-mail), unless the supplier has a cyber security rating of Green or Amber.**

The subcontractor shall safeguard CUI and perform Cyber Incident Reporting in accordance with DFARS Clause 252.204-7012.

a) Adequate security. The Subcontractor shall provide adequate security on all covered subcontractor information systems. The covered subcontractor information system shall be subject to the security requirements in National Institute of Standards and Technology (NIST) Special Publication (SP) 800-171, “Protecting Controlled Unclassified Information in Nonfederal Information Systems and Organizations.”

b) Cyber incident reporting requirement. When the subcontractor discovers a cyber incident that affects a covered subcontractor information system or the covered defense information residing therein, the subcontractor shall:

i. Conduct a review for evidence of compromise of covered defense information, including, but not limited to, identifying compromised computers, servers, specific data, and user accounts. This review shall also include analyzing covered subcontractor information system(s) that were part of the cyber incident, as well as other information systems on the subcontractor's network(s), that may have been accessed as a result of the incident in order to identify compromised covered defense information, or that affect the subcontractor's ability to provide operationally critical support; and

ii. Rapidly report cyber incidents to DoD at https://dibnet.dod.mil, and to the GD-OTS SCR.

2.24 TRAINING REQUIREMENTS

The subcontractor shall be required to submit a list of employees that support the subcontract agreement and the status of the individual trainings, submitted as QCD (S1-8). The required trainings are given in sections 2.24.1, 2.24.2, and 2.24.3. This document is expected to be submitted as current and new employees are trained, or annually if there are no changes.

2.24.1 Operations Security (OPSEC) Standard Operating Procedure Plan:

The subcontractor shall develop an OPSEC Standard Operating Procedure (SOP)/Plan within 90 calendar days of PO acceptance or issuance of a UCA, to be reviewed and approved by GD-OTS, submitted as QCD (S1-9). The plan shall be in accordance with DI-MGMT-80934C, Operations Security (OPSEC) Plan. In addition, the subcontractor shall identify a OPSEC Level II certified per AR 503-1 individual who will be an OPSEC Coordinator.

Per AR 530-1, new subcontractor employees must complete Level I OPSEC training within 30 calendar days of their reporting for duty. All subcontractor employees must complete annual OPSEC awareness training.

2.24.2 Anti-Terrorism (AT) Level I Training:

All subcontractor employees requiring access to Army installations, facilities and controlled access areas shall complete AT Level I awareness training within 30 calendar days after PO acceptance. The subcontractor shall submit certificates of completion for each affected subcontractor employee and subcontractor employee, to the GD-OTS SCR, within 30 calendar days after completion of training by all employees and subcontractor personnel. AT level I awareness training is available at the following website: https://jkodirect.jten.mil/ for CAC holders (Course number "-US007"). Non-CAC-holders may go to: http://jko.jten.mil/ courses/atl1/launch.html

2.24.3 C.13.8 iWatch Training:

The subcontractor shall brief all employees on the local iWATCH program (training standards provided by the requiring activity Antiterrorism Officer (ATO). This local developed training will be

used to inform employees of the types of behavior to watch for and instruct employees to report suspicious activity to the GD-OTS SCR. This training shall be completed within 30 calendar days after PO acceptance and within 30 calendar days of new employees commencing performance with the results reported to the GD-OTS SCR, no later than 60 calendar days after PO acceptance.

2.25 Information Assurance & Cyber Security

2.25.1 Safeguarding Covered Defense Information and Cyber Incident Reporting

The subcontractor shall use the following to supplement Defense Federal Acquisition Regulation Supplement (DFARS) Clause 252.204-7012, Safeguarding Covered Defense Information and Cyber Incident Reporting.

2.25.2 Compliance to NIST SP 800-171

The subcontractor shall be fully compliant to the Controlled Unclassified Information (CUI) Security Requirements (Requirements) in NIST SP 800-171 in effect at the time Enclosure the solicitation is issued or as authorized by the Contracting Officer, or establish a System Security Plan(s) (SSP) and Plan of Action and Milestone(s) (POAM) that varies from NIST SP 800-171 only in accordance with DFARS clause 252.204-7012(b)(2), for all covered subcontractor information systems affecting this contract.

Notwithstanding the allowance for such variation, the subcontractor shall identify in any SSP and POAM their plans to implement the following, at a minimum:

a. Implement Requirement 3.5.3 (Multi-factor authentication). This means that multi-factor authentication is required for all users, privileged and unprivileged accounts that log into a network. In other words, any system that is not standalone should be required to utilize acceptable multi-factor authentication. For legacy systems and systems that cannot support this requirement, a combination of physical and logical protections acceptable to the Government may be substituted;

b. Implement Requirement 3.1.5 (least privilege) and associated Requirements, and identify practices that the subcontractor implements to restrict the unnecessary sharing with, or flow of, covered defense information to its subcontractors, suppliers, or vendors based on need-to-know principles;

c. Implement Requirement 3.1.12 (monitoring and control remote access sessions)-Require monitoring and controlling of remote access sessions and include mechanisms to audit the sessions and methods;

d. Audit user privileges on at least an annual basis;

e. Implement Requirement 3.13.11 (Federal Information Processing Standards (FIPS) 140-2 validated cryptology or implementation of National Security Agency- or NIST-approved algorithms (i.e., FIPS 140-2 Annex A: Advanced Encryption Standard (AES) Or Triple Data Encryption Standard (DES) or compensating controls as documented in a SSP and POAM));

f. Implement Requirement 3.13.16 (Protect the confidentiality of CUI at rest) or provide a POAM for implementation which can be evaluated by the Government Program Manager for risk to the program;

g. Implement Requirement 3.1.19 (encrypt CUI on mobile devices) or provide a plan of action for implementation which can be evaluated by the Government Program Manager for risk to the program.

2.26 ARMY COUNTERINTELLIGENCE (CI) OUTREACH

The subcontractor shall engage, whenever practicable, with Army CI industry outreach efforts and consider recommendations for hardening of covered subcontractor information systems affecting Army programs and technologies; and make subcontractor personnel available for threat briefings specific to foreign intelligence threats to Army programs and technologies.

2.26.1 Army CI/Industry Monitoring

In the event of a cyber incident or at any time the Government has indication of a vulnerability or potential vulnerability, the subcontractor shall cooperate with the Army CI, which may include cooperation related to: threat indicators; pre-determined incident information derived from the subcontractor's infrastructure systems; and the continuous provision of all subcontractor, or vendor logs that show network activity, including any additional logs the subcontractor or vendor agrees to initiate as a result of the cyber incident or notice of actual or potential vulnerability.

If the Government determines that the collection of all logs does not adequately protect its interests, the subcontractor will coordinate with Army CI to implement additional measures, which may include allowing the installation of an appropriate network device that is owned and maintained by the Army CI, on the subcontractor's information systems or information technology assets. The specific details (e.g., type of device, type of data gathered, monitoring period) regarding the installation of an Army CI network device shall be the subject of a separate agreement negotiated between Army CI and the subcontractor. In the alternative, the subcontractor may install network sensor capabilities or a network monitoring service, either of which must be reviewed for acceptability by Army CI. Use of this alternative approach shall also be the subject of a separate agreement negotiated between Army CI and the subcontractor.

In all cases, the collection or provision of data and any activities associated with this statement of work shall be in accordance with federal, state, and non-US law.

2.27 SUPPLIER PRODUCTION AND DELIVERY SCHEDULE

The supplier shall be responsible for communicating and updating a Supplier Production and Delivery Schedule (reference S1-10) to GD-OTS. The schedule shall be submitted in a Microsoft Project file or similar format that clearly identifies the key operations and deliverables, Quality Clause Deliverables (i.e., AAIE Prove-outs, FAAT Plans, FAAT dates, USG notification for Continental United States (CONUS) and Outside Continental United States (OCONUS), QCD Pre- and Post-Production and Subcomponent/Assembly delivery dates). See separate QCD requirements listed in the subcontract and

milestones necessary to meet the delivery schedule requirements. After the acceptance of the contract award, the supplier's schedule shall be electronically submitted by the 20th of each month to the GD-OTS SCR, which shall include any updates to durations, percent complete, Start/Finish Dates, or any other changes that occur.

2.28 Environmental Compliance

All activities shall be in compliance with Federal, State, and local environmental laws and regulations, Executive Orders, treaties and agreements.

2.29 Ozone Depleting Substances

Solvents on the Environmental Protection Agency Class I Ozone Depleting Chemical List shall not be used in conjunction with any required test method or product formulation. Where no alternative solvents or test methods are provided in the TDPL, alternate inspection methods or solvents shall require the approval of the USG procuring contracting officer.

2.30 Inventory Management

The subcontractor shall ensure sufficient material is in place to support the production schedule as agreed to in the PO and under the terms of PO and these Quality Clauses. Costs or penalties associated with interruption in production or late deliveries due to material shortages associated with Subcontractor Purchased Material are the sole responsibility of Subcontractor.

2.31 Heat Treatment for Wood Packaging Materials

Any packaging components constructed of wood, coming from an OCONUS supplier, shall be in accordance with the requirements of International Standards for Phytosanitary Measures (ISPM) 15. Wood Packaging Material (WPM) is defined as wood pallets, skids, buffer boards, load boards, pallet collars, wooden boxes, reels, dunnage, crates, frames, and cleats. Packaging materials exempt from the requirements are materials that have undergone a manufacturing process such as corrugated fiberboard, plywood, particleboard, veneer and oriented strand board. All WPM shall be constructed from Heat Treated (56 degrees Centigrade for 30 minutes) lumber and certified by an accredited agency recognized by the American Lumber Standards Committee (ALSC) in accordance with Wood Packaging Material Policy and Wood Packaging Material Enforcement Regulations (see URL: http://www.alsc.org). All materials must include certification markings in accordance with ALSC standards and be placed in an unobstructed area that will be readily visible to inspectors. Each box/pallet shall be marked to show the conformance to the International Plant Protection Convention Standard. The quality mark shall be placed on both ends of the outer packaging, between the end cleats or end battens. Pallet markings shall be applied to the stringer or block on diagonally opposite sides and ends of the pallet and be contrasting and clearly visible. All dunnage used in configuring and/or securing the load shall also comply with ISPM 15 and be marked with an ALSC approved DUNNAGE stamp. Failure to comply with the requirements of this restriction may result in refusal of the shipment.

2.32 Packaging, Marking, Labeling, and Shipping

Unless provided elsewhere in the Purchase Order, the subcontractor shall adhere to the following shipping requirements: The subcontractor shall pack and mark the shipment in accordance with the latest edition in effect of ASTM D3951, Standard Practice for Commercial Packaging; or in the absence of applicable specifications, prepare the shipment in conformance with the carrier's requirements to protect the goods and to ensure assessment of the lowest applicable transportation charges. Packing shall conform to the requirements of MIL-STD-2073-1; Standard Practice for Military Packaging, unless the item is intended for immediate use by GD-OTS. The subcontractor shall deliver the shipment in good order and condition to the carrier, and load, stow, trim, block, and/or brace the shipment on or in the carrier's conveyance.

The GD-OTS Purchase Order number shall be identified on the bill of lading for each pallet/handling unit. If a Purchase Order has not been identified, Subcontractor will obtain the appropriate reference to be identified from the SCA prior to shipment. Subcontractor shall ship all goods in accordance with GD-OTS routing instructions.

Shipments of identical items going to the same destination shall be palletized if they have a total cubic displacement of 50 cubic feet or more unless skids or other forklift handling features are included on the containers. Pallet loads must be stable, and to the greatest extent possible, provide a level top for ease of stacking. A palletized load shall be of a size to allow for placement of two loads high and wide in a conveyance. The weight capacity of the pallet must be adequate for the load. The preferred commercial expendable pallet is a 40 x 48 inch, 4-way entry pallet although variations may be permitted as dictated by the characteristics of the items being unitized. The load shall be contained in a manner that will permit safe handling during shipment and storage.

All Hazardous Items shall be packaged, marked and shipped IAW the CFR 49 parts 100 - 180.

2.33 Manufacturing Best Practices

2.33.1 Failure Mode Effect Analysis

To reduce the probability of a major failure or a critical defect, GD-OTS strongly suggests the subcontractor conduct a Failure Mode Effect Analysis (FMEA) and/or Process Failure Mode and Effects Analysis (PFMEA) on their processes, systems, or items and submit as QCD (S1-6) when completed. A successful FMEA/PFMEA will help identify potential failure modes enabling the subcontractor to design those failures out of the process, system, or item.

2.33.2 First Piece Inspection

GD-OTS strongly suggests the subcontractor conduct a First Piece Inspection when any of the following conditions occur:

- Prior to the commencement of First Article sample production
- New or reworked mold tooling
- Re-tooling with the exception of standard CNC cutting tools
- Changeover from one product to another

- When a Physical Configuration Audit is not defined per PO / Subcontract Agreement

A First Piece Inspection requires 100% check of all dimensional features created at a process prior to the start of volume production. The First Piece Inspection is a single piece inspection, if manufactured as a single component in CNC Mill or Lathe manufacturing, a single piece bonding or other manufacturing process. Processes such a multi- cavity molds requires a First Piece Inspection report representing each cavity.

The results of the First Piece Inspection shall be documented and provided to GD-OTS upon request.

3.0 SUBCONTRACTOR DATA SUBMISSION INSTRUCTIONS

All QCD submittals and related data shall be submitted to GD-OTS in English and shall be submitted through GD-OTS's SoftExpert External Collaboration Portal. If cybersecurity rating is green or amber, all official GD-OTS QCD approvals and/or disapprovals will be provided to the subcontractor via notification from a GD-OTS Supplier Quality Engineer (SQE). If cybersecurity rating is red, QCDs shall be submitted via hardcopy sent through FedEx, UPS, USPS, or via trusted services. QCD due dates are specified in calendar days. Electronic submittals are limited to 150MB. Submittals exceeding 150MB shall be delivered physically (CD-R or DVD-R via USPS) to the address below. Please address the physical submittals to the attention of your respective supplier quality engineer:

General Dynamics Ordnance and Tactical Systems
ATTN.: (INSERT NAME), Supplier Quality Engineer
100 Carillon Parkway
St. Petersburg, FL 33716

GD-OTS uses multi-factor authentication to access its systems. If you need assistance or no longer require access, please call the IT help desk at 1-800-533-4686. User instructions pertaining to submissions and other tasks utilizing the SoftExpert External Collaboration Portal software can be found on the site once the user has logged into the system. Additional application training and assistance can be obtained by contacting the applicable Supplier Quality Engineer (SQE) or SCR to arrange for the training or assistance. GD-OTS's External Collaboration Portal is located at: https://softexpert.gd-ots.com/.

The subcontractor shall be responsible for making a submittal for each Subcontractor Data Requirement as flowed down in the Subcontract/PO. QCDs applicable to deliverable lots shall be submitted separately for each deliverable lot of material.

Any subcontractor who does not have access to SoftExpert for any reason must submit data requirements by mail or courier. The subcontractor is responsible to ensure the data submission arrives at GD-OTS by the due date for that item. Documents should be mailed to the same address as noted above to be used for files above 150MB.

3.1 Request for QCD Rollover Approval

Requests for QCD rollover approval shall be submitted to GD-OTS under the applicable QCD number. QCD rollover approvals are not guaranteed and will be determined by GD-OTS after the QCD rollover request has been submitted to GD-OTS. The rollover request shall include as a minimum all applicable documents numbers, titles, and their previously GD-OTS approved revisions. Including evidence of the previous GD-OTS approval is strongly recommended and will expedite the approval process. The rollover request shall include a statement to the effect that; "No changes to the applicable document(s) have been made since GD-OTS last provided approval of this QCD."

3.2 QCD Submission Exemptions

Any request for exemption for any QCD in this or any Quality Clause should be made in writing and submitted under QCD (S1-5). If GD-OTS approves the exemption, this authorization must be in writing from the SCR or documented elsewhere in the subcontract. However, approval of such an exemption does not relieve the subcontractor from creation, management, and retention of these documents/records unless otherwise authorized by GD-OTS. Any QCD document that will be created but not submitted should be readily available for review and/or submission by GD-OTS upon request.

4.0 Quality Clause Deliverables

Microsoft Office or PDF formats are preferred. All subcontractor data submittals shall be in English. All submittals to GD-OTS shall be in accordance with the QCDs as indicated below. Unless otherwise agreed upon, deliverables required within this QCD contain CUI and must be marked and transmitted in accordance with DoDI 5200.48, “Controlled Unclassified Information (CUI).”

NO.	TITLE	CUI	GD-OTS APPROVAL REQUIRED	SUBMITTAL TIMING/FREQUENCY
S1-1	Failure Analysis and Corrective Action	Yes	Yes	Unless otherwise directed in the Subcontract/PO or Special Instructions document provided by GD-OTS; QCD is due within 16 hours. Report: Due within 7 calendar days.
S1-2	Security Incident Report	Yes	Yes	Immediate notification to SCR within 16 hours. Report: Due within 72 hours. Updated reports shall be submitted Bi-weekly until the conclusive final report submission.

NO.	TITLE	CUI	GD-OTS APPROVAL REQUIRED	SUBMITTAL TIMING/FREQUENCY
S1-3	Energetics Accident/Incident Report	Yes	Yes	Immediate notification to the SCR within 3 hours. Report: Due within 2 business days. Updated reports shall be submitted every 30 calendar days until the conclusive final report submission.
S1-4	OSHA Accident/Incident Report	Yes	Yes	Immediate notification to SCR within 3 hours. Report: Due as outlined in Title 29 CFR for Illness, Injury, Hospitalization, Loss of an Eye, or Fatality.
S1-5	QCD or General Quality Clause Exception Request	Yes	Yes	Unless otherwise directed in the Subcontract/PO or Special Instructions document provided by GD-OTS; QCD is due within 30 days of purchase order acceptance.
S1-6	FMEA	Yes	Yes	When directed in the Subcontract/PO or Special Instructions document provided by GD-OTS; QCD is due within 90 days after purchase order acceptance.
S1-7	Notification of Customers Source Inspection (CSI)	Yes	Yes	The supplier shall notify GD-OTS of CSI a minimum of 14 calendar days, prior to the planned shipment date.

NO.	TITLE	CUI	GD-OTS APPROVAL REQUIRED	SUBMITTAL TIMING/FREQUENCY
S1-8	Employee Training Log	No	Yes	Unless otherwise directed in the Subcontract/PO or Special Instructions document provided by GD-OTS; QCD is due within 30 calendar days of PO acceptance. Submitted annually until close out of the contract.
S1-9	OPSEC SOP Plan	No	Yes	Unless otherwise directed in the Subcontract/PO or Special Instructions document provided by GD-OTS; QCD is due within 90 calendar days of PO acceptance.
S1-10	Supplier Production and Delivery Schedule	Yes	No	Unless otherwise directed in the Subcontract/PO or Special Instructions document provided by GD-OTS; QCD is due by the 20th of each month in Microsoft Project file or similar format, to the GD-OTS SCR.
S1-11	Supplier QMS Certification	No	No	Unless otherwise directed in the Subcontract/PO or Special Instructions document provided by GD-OTS; QCD is due within within 30 calendar days of PO acceptance. Submitted annually until close of the contract.
S1-12	Non-Conforming Material	Yes	Yes	Unless otherwise directed in the Subcontract/PO or Special Instructions document provided by GD-OTS; QCD is due within immediately after discovery of Non-Conforming Material.

NO.	TITLE	CUI	GD-OTS APPROVAL REQUIRED	SUBMITTAL TIMING/FREQUENCY
S1-13	Cyber Incidents	No	No	Unless otherwise directed in the Subcontract/PO or Special Instructions document provided by GD-OTS; QCD is due within 60 hours of discovery.

5.0 REVISION HISTORY

REV	EFFECTIVE DATE	CHANGE
0	06/09/2023	ECN23315-Initial Release
1	02/14/2024	ECN24425-CUI updates and section additions
2	08/21/2024	ECN24448-Updates to Para 2.15
3	06/29/2026	The subcontractor shall notify GD-OTS after discovery of any Nonconformance within 16 hrs of event that may exist in delivered product (reference S1-12).