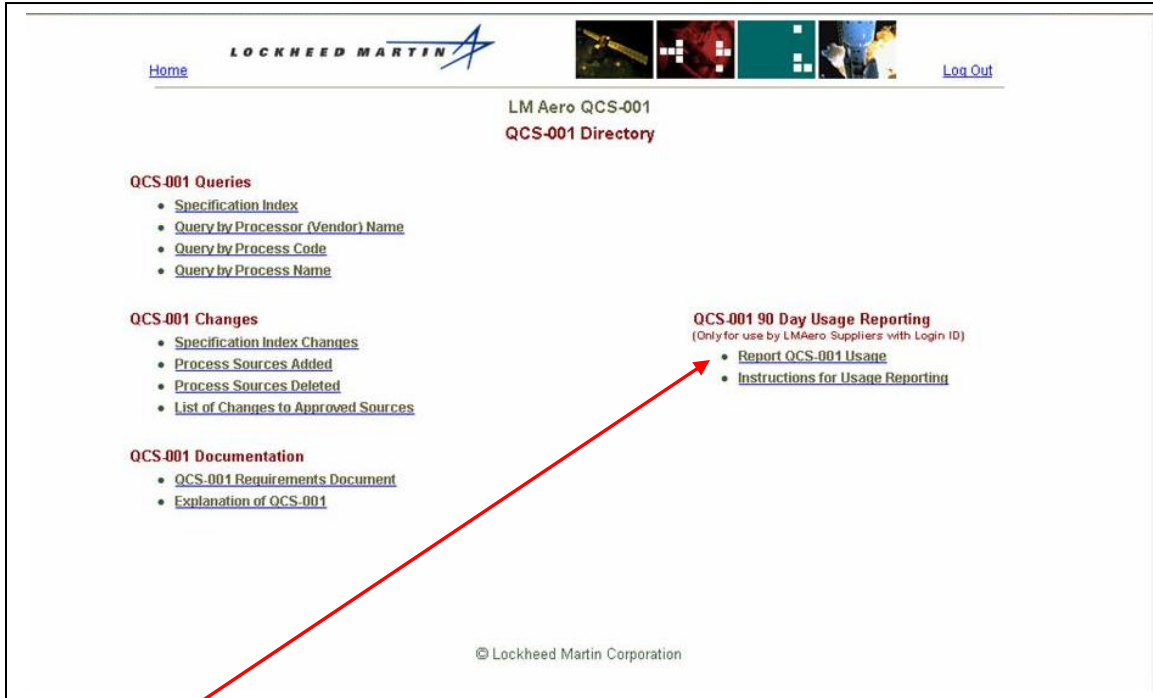


QCS-001 Quarterly Usage Reporting Instructions

Once you have logged into the Supplier Quality Management (SQM) system, you can then enter the QCS-001 Directory. Once in the Directory you will see a screen that looks like the following:



You will see “QCS-001 90 Day Usage Reporting” listed on the right. This is where your usage data will be input. Under this heading you will notice two active links:

- *Report QCS-001 Usage*
- *Instructions for usage reporting*

The first link (Report QCS-001 Usage) is to be used to report performance of a QCS-001 process. Companies that are required to report fall into four categories. Those categories are:

- 1) Those companies who have procured the services of other companies to perform special processes on LM Aero products. For example, this link would be selected by a machine parts manufacturer who procures special processing such as heat treat, prime, paint, penetrant inspection, etc from another entity.
- 2) Those companies who are performing special processes for other LM Aero suppliers. For example, this link would be selected by a company who has processed product (prime, paint, heat treat, etc) for a company that is manufacturing or building the product under a purchase order where QCS-001 is imposed.

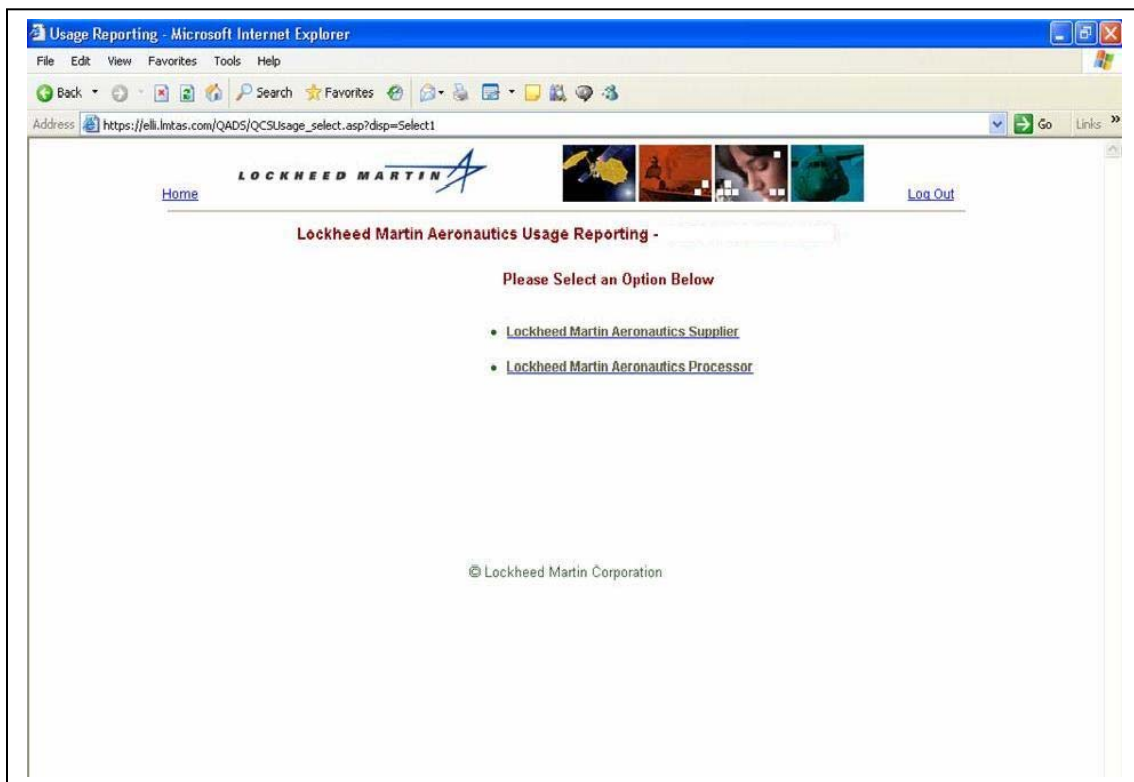
- 3) Those companies who are performing controlled special processes for themselves. For example, this link would be selected by a company who has processed product (prime, paint, heat treat, etc) for itself under a Lockheed Martin Aeronautics Company purchase order where QCS-001 is imposed. Those companies should report whether or not they are currently listed in QCS-001 as performing special processing for other companies and should list their own information as the supplier number, name, city and country.
- 4) Those companies who currently hold purchase orders from Lockheed Martin Aeronautics Company where Quality Appendix QJ and/or QCS-001 are imposed and applicable should report that there was no usage to report.

Input Screens

The first three screens for each of the above choices look substantially the same once the link has been selected.

Step 1:

Select the option “*Report QCS-001 Usage*”. This will take you to the following screen:



If your company falls into category 1, 3, or 4 as described above, you would select the first option “*Lockheed Martin Aeronautics Supplier*”.

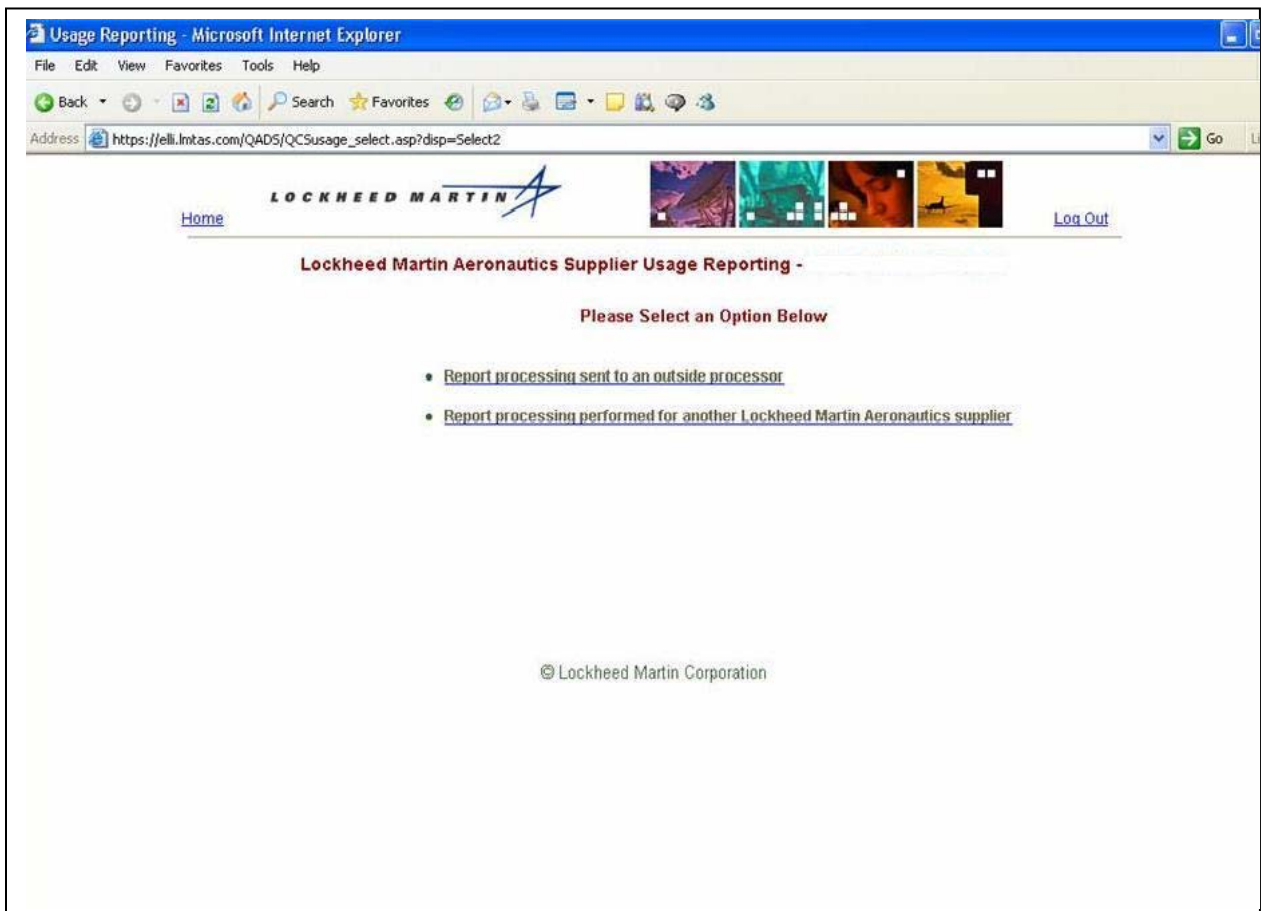
If you used a source based on them being approved by Nadcap you will need to enter XXXXXX as the supplier number. Then you must manually input the rest of the processor information and be sure to select “Nadcap” option as the approver.

If your company falls into category 2 above, you would select the second option “*Lockheed Martin Aeronautics Processor*”.

If your company falls into both category 2 and 3 you would have to report activity in each of those categories separately but each would be reported within the link choice titled “*Lockheed Martin Aeronautics Supplier*”. For example, if you have a Lockheed Martin Aeronautics Company approval to perform a process such as heat treat and you perform heat treat on products procured directly from you under a Lockheed Martin Aeronautics Company purchase order (you are the Seller) AND you perform heat treat for other companies where those companies have a direct purchase order with Lockheed Martin Aeronautics Company (you are a QCS – 001 approved heat treat source), then you would have to report those activities separately. Once you select “*Lockheed Martin Aeronautics Supplier*” you will be given links for each of the reporting scenarios described above.

Step 2 for categories 1, 3, and 4:

Select the link “*Lockheed Martin Aeronautics Supplier*”. You will be taken to the screen shown below:



Select the link “*Report processing sent to an outside processor*” if you are reporting on processes where you contracted with another company to performs the processing for you. (Category 1)

Select the link “*Report processing performed for another Lockheed Martin Aeronautics supplier*” if you are performing a QCS – 001 approved process for another company. (Category 2)

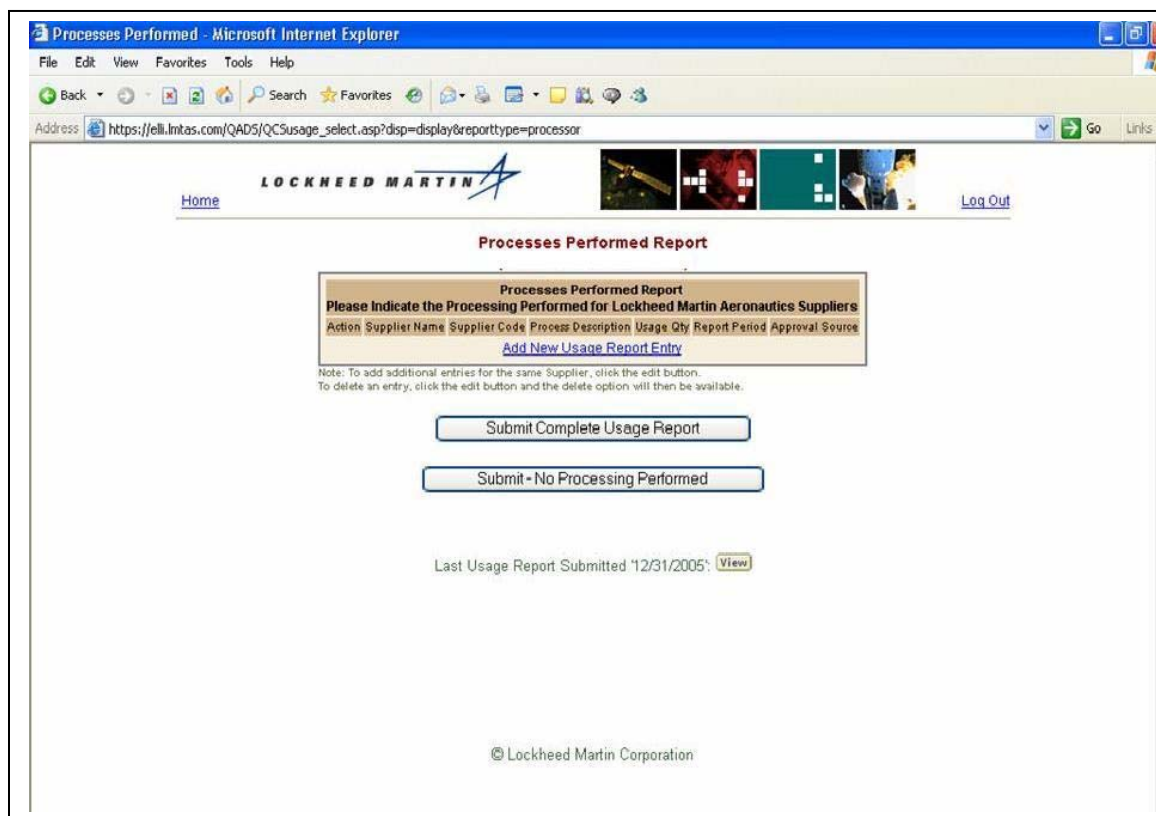
If you are performing a QCS – 001 approved process for your own company, this activity would be reported under the link “*Report processing performed for another Lockheed Martin Aeronautics supplier*”. (Category 3).

Step 2 for category 2

Select the link “*Lockheed Martin Aeronautics Processor*”.

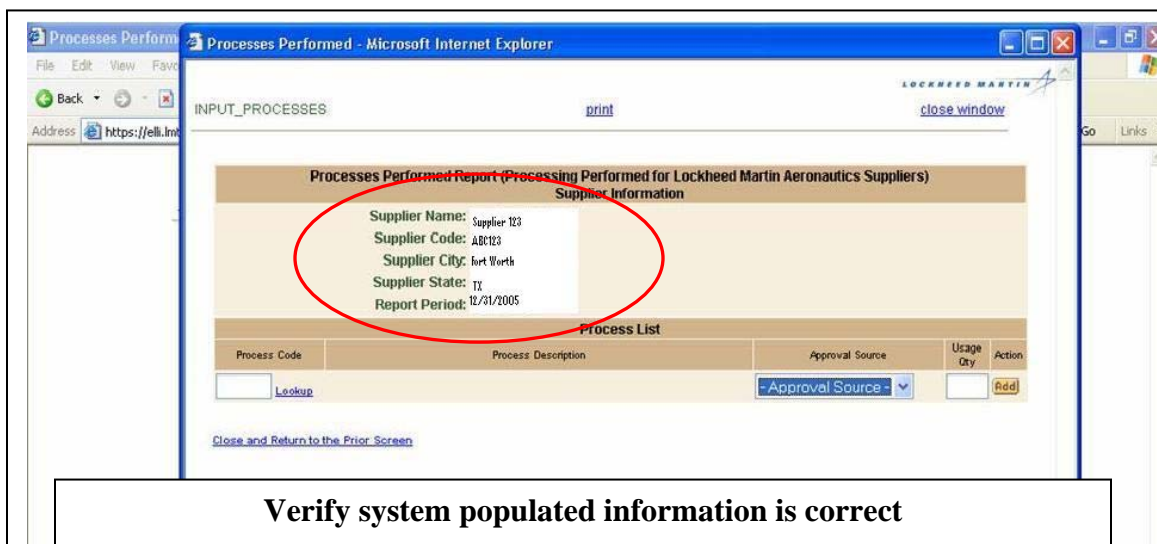
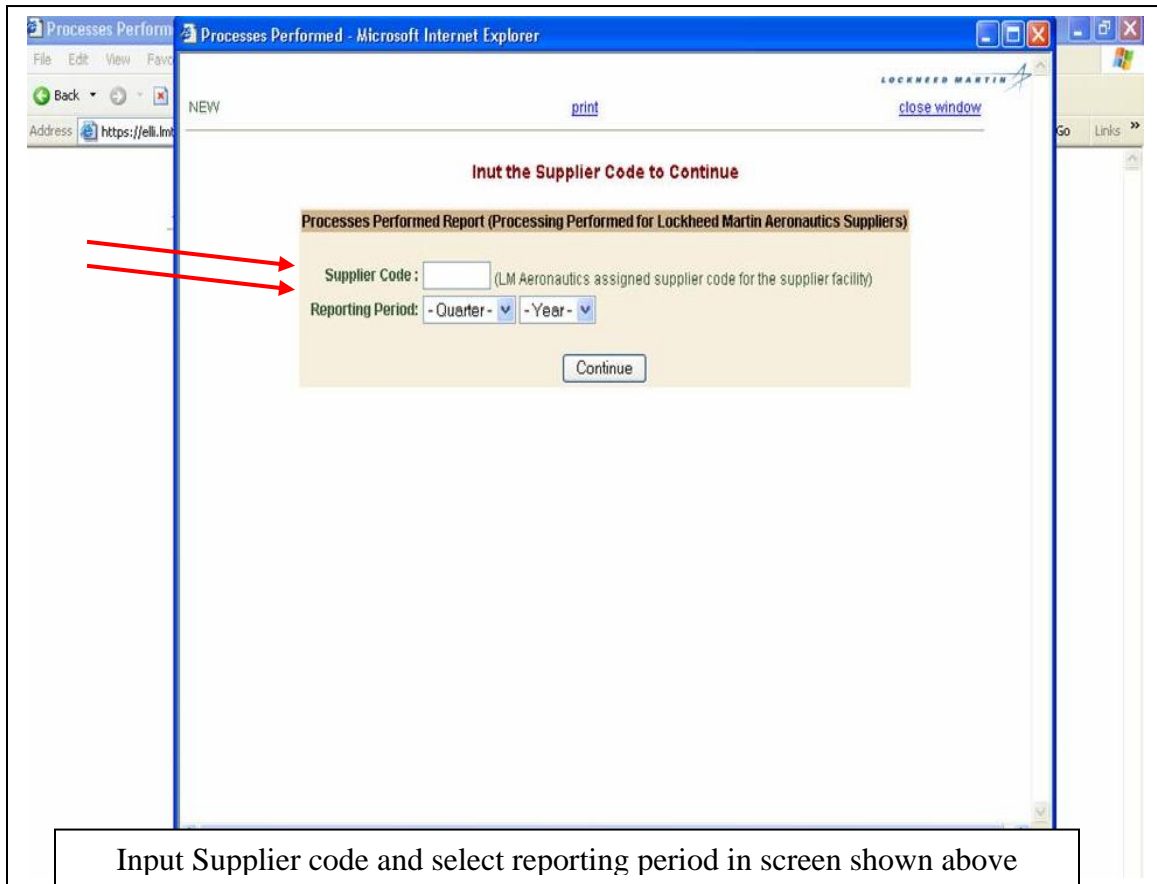
Step 3 for all categories:

You will now be in the input screen (shown below).



Select “*Add New Usage Report Entry*”. This will take you to the entry screen. Input the Lockheed Martin Aeronautics assigned supplier code for the supplier you are performing

the work for. This number should have been provided to you by the supplier procuring the processing in accordance with Quality Appendix QJ. Also, use the drop down boxes to select the appropriate ending date for the quarter you are reporting and the correct year. Select "Continue". The usage reporting system will self populate the address information for the code you provided. Check to ensure the information that is populated is correct. If it is incorrect go back and verify you entered the correct supplier code. (See screen shots below)



Step 4:

Utilize the drop down menus to select the proper process code and approval source. The approval source will be either Lockheed Martin or Nadcap.

Input the correct number of times you performed this process for this supplier in the “*Quantity*” box. (Note: this is not the number of pieces you processed but instead the number of times you performed the processing for this particular supplier – frequency not quantity)

Select “*Add*” to add the information. You can add continuously over the course of the three month reporting period. The usage reporting system will save the information until such a time as you decide to select the submit button. (See screen shot shown in step 3).

Step 5 – Submittal:

The information is required to be submitted between the last day of the reporting period and the 15th day of the following month.

If you have no activity to report follow Steps 1, 2, and 3 as described above except in step 3 select “*Submit – No Processing Performed*” for categories 2 and 3 or “Submit – No Processing Used” for category 1.

If you have input incorrect information, have performed a process you are not approved to perform, or have utilized a processing source who is not approved to perform the reported process, an error will be reported to Lockheed Martin Aeronautics Company and you will receive an e-mail describing that you have reported a usage error and may need to prepare a product disclosure.

If you can tell immediately the error was from data input, please contact your Lockheed Martin Aeronautics Company Representative (Supplier Quality representative) so they may correct the error. Once you submit the report you will no longer have the ability to correct the information.

If an error is reported the Lockheed Martin Aeronautics Company Representative will contact someone within your facility to ensure a proper investigation is performed or the error is otherwise corrected.