



Q713 Nonconforming and Noncompliant Material ~~Flowdown to Subcontractors Required**~~ (Rev 06/12/20)**

The Seller shall develop, implement, and maintain a nonconforming material management system. The system shall be used for positively controlling the identification, documentation, segregation, and disposition requirements of NCM. The nonconforming material system shall be used for tracking, analyzing to determine root cause, and assuring effective corrective/preventive action implementation.

No Material Review Authority (MRA) is delegated to Seller or its subcontractors. Seller and all sub-tier suppliers are not authorized to disposition nonconforming or non-compliant material produced under this Agreement "Use-As-Is" or "Repair."

Seller is not authorized to rework material unless the rework is performed in accordance with a GD-OTS, approved rework procedure. Approval is dependent on evidence of a previously validated rework process or will require a new process validation. Reworked material shall be restored to design conformance. Each shipment shall include records of reworked material contained within the shipment.

"Use-As-Is" and "Repair" dispositions require approval from GD-OTS prior to implementation. Seller is not authorized to retest material without prior GD-OTS approval.

Seller shall flow the substance of this clause to its subcontractors, including this sentence, changing the relationship of the parties as appropriate to preserve the intent of the words.