

NORTHROP GRUMMANElectronic Systems
Northrop Grumman Corporation
Post Office Box 1693
Baltimore, Maryland 21203

July 17, 2008

Dear Northrop Grumman Electronic Systems Supplier:

The purpose of this correspondence is to remind you that Northrop Grumman Electronic Systems (NGES) requires products containing specialty metal to be compliant with the DFARS 252.225-7014 Alt I, Preference for Domestic Specialty Metal. It is imperative that you take action to meet the requirements of this clause in the products you sell to NGES.

On January 29, 2008, DoD issued its latest Class Deviation, 2008-O0002, which among other things, eliminates the Domestic Non-Availability Determinations (DNADS) issued by the Office of the Secretary of Defense for any new prime contracts issued after July 26, 2008. This Class Deviation currently affects DoD contracts awarded on or after January 29, 2008 and is available for review on the DoD site at: <http://guidebook.dcm.mil/225/dc08-143.htm>. The Class Deviation also provided specific requirements for fastener manufacturers for compliance to DFARS 252.225-7014 Alt I. NGES previously mailed letters to many of our fastener suppliers and mechanical assembly subcontractors informing them of the fastener manufacturer compliance requirements instituted by this Class Deviation. All suppliers are again requested to review their own processes and procedures for compliance with the regulatory changes of this Class Deviation as it pertains to DFARS 252.225-7014 Alt I.

As a reminder, many purchase orders from NGES for material containing specialty metal may not be in support of contracts awarded under Class Deviation 2008-O0002 and thus would not be entitled to the exemptions this Class Deviation offers. Please review your purchase orders and ensure that the product you deliver to NGES is compliant with the specialty metals clause contained therein. Please contact your NGES Procurement Agent for clarification if you are unable to determine the specific specialty metals clause applicable to your NGES purchase order.

Failure to comply with the specialty metals clause may adversely impact delivery of Northrop Grumman products in support of the War Fighter, resulting in delays in schedule and potentially expensive retrofitting throughout the supply chain. You must ensure your products comply with the applicable specialty metals clause prior to delivery to Northrop Grumman.

If you have any questions concerning this communication, please direct your inquiries to:

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