

# Procedure

## NOV Rig Technologies Supplier Quality Management System General Requirements

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## **1 PURPOSE & SCOPE**

### **1.1 Purpose**

The purpose of this document is to inform the Suppliers of National Oilwell Varco's (NOV) Rig Technologies Segment (RIG) of the core expectations regarding the Suppliers' management systems, design requirements, and manufacturing process controls required for doing business with NOV. This manual describes what NOV RIG expects its Suppliers to do to ensure all NOV requirements and expectations are met.

### **1.2 Scope**

This manual applies to all Suppliers providing NOV with materials, products, components, and associated activities, as well as sub-tier sources or sub-suppliers. More stringent Product Quality Standards required by the Purchase Order, associated Quality Clauses, Drawings, Specifications, NOV's Customer, Statutory and/or Regulatory Standards shall supersede requirements as defined in this Specification. The requirements in this document do not apply to Suppliers providing items categorized by NOV as "Miscellaneous" unless specifically noted.

## **2 GENERAL**

### **2.1 Compliance Date**

When a change to this document occurs, an existing supplier with NOV has a defined grace period to conduct a gap analysis and bring their systems into compliance with this document. The grace period shall be defined when the revision is communicated to the supplier and will start upon transmittal by NOV of the revised document. An existing supplier shall have 14 calendar days to initiate the Exception process (outlined below).

### **2.2 Exceptions (to this document)**

A Supplier may take exception to certain portions of this document, but not to the entire document itself.

Exceptions are not needed for any areas that would be outside the normal scope of work or approval. For instance, a Painting Supplier does not need to take exception to the section(s) governing welding controls since welding is outside their scope of approval.

Any exceptions must be noted and communicated to the NOV point of contact (buyer typically) in writing (including email) within 14 days of receipt of this document. Verbal acknowledgement or statement of Exception shall not be accepted. Along with the statement of Exception, a justification for each exception must be made. NOV shall review the submitted request and provide a notification as to acceptance or rejection of the request in writing back to the Supplier. Both NOV and the Supplier shall retain any records relating to the Exception process.

### **2.3 Confidentiality**

The Supplier shall ensure the confidentiality of NOV-contracted products and projects under development, and related product information, as well as intellectual property shared because of the working relationship. For Critical products or services, or in those cases where NOV provides to the Supplier NOV Proprietary information, the Supplier will be required to complete a Non-Disclosure Agreement with NOV at a minimum. In addition, the Supplier shall establish Non-Disclosure Agreements with any sub-tier supplier provided NOV proprietary information. More complex or formal

relationships may require additional documentation, including the possibility of a formal Vendor Agreement.

## **2.4 Right of Entry**

Representatives of NOV, NOV's customer, and other regulatory authorities shall have access to supplier's facility and all other facilities (including associated sub-suppliers) involved in the fulfillment of the Purchase Order, where they shall have access to all procedures, practices, processes, associated documents, and records related to quality assurance, quality control, and configuration control. The supplier shall notify the NOV Buyer in writing to any significant facility, operational, organizational, or critical supply base changes.

Any change of location by the supplier shall require a full first article inspection on parts coming from the new location, or if an FAI is not required, may require a new on-site evaluation (audit). NOV reserves the right to determine and verify quality of work, records, and material. Such visits shall not preclude subsequent rejection of product and do not absolve the supplier of its product integrity responsibilities. NOV reserves the right to audit for compliance to all requirements.

## **2.5 Supplier Performance**

NOV requires Suppliers to strive for 100% On-Time Delivery (OTD) performance, as well as a Zero-Defect approach to Quality. At periodic intervals NOV will update the supplier as to their performance, and it will be the Supplier's responsibility to address and correct any deficiencies noted. NOV will monitor the performance and may request Corrective Actions and/or additional developmental activities to bring performance into compliance if deemed necessary. Continued performance lapses may result in the Supplier being suspended or removed from NOV's Approved Vendor List (AVL).

## **2.6 Corrective Action**

When NOV issues a Corrective Action Request (CAR) to a Supplier for product, process, or performance issues, the Supplier shall reply to NOV's point of contact within 24 hours with a containment action (immediate action) and within 14 calendar days with a detailed corrective action plan and root cause analysis, unless specified otherwise.

# **3 SUPPLIER CODE OF CONDUCT**

## **3.1 Compliance with Local Laws**

Suppliers shall adhere to the laws and regulations in the locality in which they reside. This includes all local, state, and federal laws/regulations in the country of origin.

## **3.2 Compliance with Environmental, Health, and Safety Laws**

The Supplier must maintain and operate its manufacturing/production facilities and processes in accordance with local, state, and federal laws/regulations in the country of origin.

At no time shall any NOV representative (including its customer and/or third-party agents) be exposed to hazardous materials or unsafe conditions because of Supplier shipments to an NOV location, or while visiting a Supplier's location. For items with inherent hazards, safety notices must be clearly visible, and proper notification must be given to NOV employees / agents where hazards or exposures exist. As applicable, documented safety, handling, and protection information must be provided to potentially affected personnel.

## **3.3 Product Safety**

For all commercially available products purchased by NOV, all performance, endurance, maintenance, safety and warning requirements set by local, state, and federal laws / regulations of the country of origin shall met. When different requirements are necessary, they shall be communicated clearly on the Purchase Order from NOV.

### 3.4 Blacklist Countries / Prohibited Sources

NOV suppliers and/or sub-tier suppliers are prohibited from using any source listed on the US Government OFAC Sanction Lists in the production of products to be delivered to or on behalf of NOV.

In addition, NOV is committed to compliance with Section 1502 of the Dodd-Frank Act, which requires disclosure of whether NOV's purchase of certain minerals for use in its products have directly or indirectly aided armed groups in the Democratic Republic of Congo or surrounding countries. NOV's Conflict Minerals policy and compliance program were developed in accordance with Annex I of the Organization for Economic Co-Operation and Development Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Our policy on this may be found here: <http://investors.nov.com/conduct-and-ethics>.

### 3.5 Non-Discrimination

Suppliers shall not discriminate against race, color, sex, religion, age, physical disability, political affiliation, or other defining characteristics as prohibited by local, state, and federal laws/regulations in the country of origin.

### 3.6 Labor

**Child Labor** – Suppliers shall employ workers of minimum legal age in accordance with local, state, and federal laws/regulations in the country of origin. Child labor laws must be followed.

**Forced/Indentured Labor** – Suppliers shall not practice the use of forced or indentured labor.

**Work Hours/Days** – Suppliers shall not exceed the daily and weekly working hours as permitted by local, state, and federal laws/regulations in the country of origin.

**Wages and Benefits** – Suppliers shall compensate workers in accordance with local, state, and federal laws/regulations in the country of origin. This includes minimum legal wage, overtime wages, and benefits (as required by law).

### 3.7 Ethics

Evidence of corruption, bribes, improper advantage, or any other form of illegal practice by the Supplier or associated operations will terminate all relations with NOV. Suppliers will conduct their business in a manner that meets the 'Code of Ethics' policy of National Oilwell Varco. NOV's Code of Business Conduct and Ethics may be found at the following link:

<http://investors.nov.com/conduct-and-ethics>

### 3.8 Code of Conduct and policy enforcement

This policy applies to Suppliers and their sub-tier sources. It is the responsibility of the Supplier to verify and monitor compliance of this code at their operations and sub-tier source operations. NOV reserves the right to audit and/or verify compliance at a sub-tier level.

### 3.9 Supplier Data Integrity

It is the responsibility of the Supplier to notify NOV of any changes which could affect its approval status and to update our Supplier Management System with any corrections needed. Changes include, but are not limited to: changes in critical personnel / management, changes in ownership, changes in points of contact & email addresses, changes to equipment, changes to the QMS, changes to infrastructure

(including change of address), changes to operational controls / product controls, and changes to critical sub-suppliers.

#### **4 HEALTH, SAFETY AND ENVIRONMENTAL PROGRAM**

All suppliers providing both Critical and Non-Critical products or Services to NOV shall have a fully implemented and documented Health, Safety, and Environmental Program. This program, shall at a minimum cover all local, state, federal regulations applicable where the supplier is located. A copy of the Supplier's HSE management program shall be furnished to NOV upon request.

#### **5 DRUG AND ALCOHOL PROGRAM**

All suppliers providing both Critical and Non-Critical products or Services to NOV shall have a fully implemented and documented Drug and Alcohol Program where allowed by law. A copy of the Supplier's Drug and Alcohol program shall be furnished to NOV upon request.

#### **6 SUPPLIER QUALITY**

##### **6.1 Quality Management Expectations**

6.1.1 Critical and Non-Critical suppliers are expected to maintain a documented Quality Management System (QMS). This QMS shall, at a minimum, be compliant to the requirements outlined below:

- Document Control,
- Control of records,
- Contract Review,
- Employee competency and Training,
- Purchasing controls (including control of sub-tier suppliers),
- Production Process Controls (including those for Special Processes where applicable)
- Product Traceability,
- Nonconforming Material Controls,
- Calibration controls (where applicable),
- Product Release, and
- Inspection & Testing (where applicable).

NOV may waive requirements from the above list during qualification and re-evaluation during review.

6.1.2 When compliance and/or certification to other specifications (e.g. ISO, API, ABS, ATEX, etc.) is specified by NOV, the supplier is responsible to notify NOV (Buyer) in writing within 5 working days of any changes to Quality System status, including extensions or reductions in scopes of approval, third party and/or regulatory Quality Approvals that are gained or withdrawn. The supplier's loss of a required certification or failure to notify NOV of their loss of a required certification could result in the supplier being disapproved.

#### **7 GENERAL REQUIREMENTS**

##### **7.1 Contractual (PO) Requirements**

Upon accepting a NOV contract, the Supplier is responsible for compliance to all contract (e.g., engineering drawing, specification, purchase order) requirements. All documents, drawings and specifications, regardless of origin, are applicable to the Supplier when specified in the contract or

documents referenced in the contract, and are required to be used at all levels of the supply chain. Unless otherwise specified in the contract, the document revision in effect on the date of issue of the contract applies to the contract. Neither audit, surveillance, inspection, nor tests made by NOV, representatives of NOV or its customer(s), at Supplier's facilities, at any sub-tier facilities, or upon receipt at NOV, relieves the Supplier of the responsibility to furnish acceptable products or services that conform to all contract requirements; nor does it preclude subsequent rejection by NOV or its customers.

## 7.2 Communication

Unless otherwise stipulated by the contract or other source, the NOV buyer is to be the primary point of contact for communications. In addition, once registered into NOV's Supplier Management System, a central point of contact for the supplier shall be established to facilitate communications from NOV to the supplier. It is the Supplier's responsibility to ensure the contact information contained in NOV's system is and remains current.

## 7.3 Contract Review

The supplier shall establish, document, and implement a procedure for Contract Review. This procedure shall, at a minimum, cover the review of any purchasing documents submitted (requests, emails, PO's), specifications, drawings, referenced standards, and the supplier's own QMS / production requirements. The output of this review shall be documented and maintained as a record. It is the Supplier's responsibility to ensure that they possess, have reviewed, and are compliant with current revisions of all referenced NOV specifications.

## 7.4 NOV Designated Sources

When specified by the contract, the Supplier shall purchase products, materials, or services from NOV-designated sources. The Supplier is responsible to ensure items procured from such sources meet all applicable technical and quality requirements.

## 7.5 Control of Sub-tier Suppliers

The Supplier, as the recipient of the contract, is responsible for meeting all requirements, including work performed by the Supplier's sub-tier Suppliers (also known as Sub-Suppliers or subcontract Suppliers). When the Supplier uses sub-tier sources to perform work on products and/or services scheduled for delivery to or on behalf of NOV, the Supplier shall include on contracts, to its sub-tier sources, all of the applicable technical and quality requirements contained in the NOV contract, including quality system requirements, regulatory requirements, the use of NOV designated sources, the requirement to document and control 'key characteristics' and/or 'key processes,' and to furnish certifications and test reports as required. NOV and its customers reserve the right-of-entry to sub-tier facilities, subject to proprietary considerations.

The Supplier shall also establish, document, and implement a procedure covering the controls required for managing and monitoring their critical suppliers. This procedure shall address the controls and responsibilities related to:

- The classification of Suppliers based upon criticality to the product or service being requested;
- Initial approval;
  - For Critical suppliers (including special process suppliers), initial approval must be conducted either by a formal and documented First Article, by an on-site evaluation, or when those are not possible due to legal or proprietary issues, a documented justification for their approval.
- Performance monitoring;

- Periodic Re-evaluation;
  - For Critical suppliers (including special process suppliers), periodic re-evaluation must be conducted per the same requirements as for initial approval above.

### **7.5.1 Special Process Suppliers**

For NOV, unless otherwise specified by contract, the Supplier shall only use special process sources that are approved by NOV. This requirement applies to Suppliers who perform special processes such as: heat treating, plating, coating, NDE, castings / forgings, and welding as part of their internal operations. The Supplier shall ensure this requirement is communicated to its sub-tier sources for their application to any subordinate suppliers / providers of Special Processes. If NOV does not stipulate any special process suppliers, the supplier may use any from their normal supply chain, as long as the supplier is adequately evaluated and controlled, including a periodic on-site audit.

### **7.5.2 Supplier Qualification**

Upon successful qualification of the primary supplier, any sub-tier supplier identified as part of the qualification shall not be changed without prior written approval from NOV. This requirement shall also be applicable to any NOV-designated sub-suppliers.

### **7.6 Control of Electronic Documents**

The Supplier shall maintain a procedure outlining the controls governing electronic documents to be used as official records. This procedure shall address the revision process, how changes are made and notated, how they are stored, and if electronic signatures are to be used, how those signatures are controlled and protected.

### **7.7 Inspection Status**

Inspection status of equipment during the manufacturing process shall be evident at all times. QC personnel shall be responsible for the application and removal of status indicators.

#### **Acceptance Inspection**

Personnel other than those who performed or directly supervised the production of the product shall perform acceptance inspection at planned stages of the product realization process.

#### **Shipping Preparation**

The Supplier shall preserve the conformity of the product and constituent parts through delivery to the intended destination.

### **7.8 Work Instructions**

Where appropriate, the supplier shall establish documented work instructions covering the various elements of the product realization process. In addition, the Supplier shall have some form of detailed job traveler / router / work order governing the production processes, outlining the critical steps, and include acceptance / rejection requirements as well as include references to any specific internal, customer, or third-party requirements.

Any Special process operations, such as welding, NDE and Coating shall be compliant to the requirements as outlined in their respective NOV Rig Technologies Quality Requirements. NOV Rig Technologies Fabrication, Welding, and NDT General Requirements 103188871 shall apply for all fabrication of NOV Rig Technologies proprietary products unless specifically waived by NOV in writing beforehand.

The list of potentially relevant requirements is listed below. Relevant clauses shall be referenced in the Purchasing Information. For Inquiries about their relevance, please contact the NOV buyer responsible for the Purchase Order.

See the list of requirements on the Web page:

<https://www.nov.com/about/our-company-structure/rig/rig-technologies-supplier-resources/procurement>

## 7.9 Competency of Personnel

Personnel shall be competent based on the appropriate education, training, skills, and experience needed to meet product and customer requirements. Evidence of determination of competence of personnel shall be recorded and maintained.

The supplier shall establish procedures for the control of the training and competency of its personnel.

At a minimum, the procedure shall outline the evaluation of training needs, training requirements, competency requirements, and include the evaluation of the effectiveness of training, as well as periodic reviews of ongoing training needs. Personnel shall have competency records maintained and available to prove compliance to requirements.

## 7.10 Control of Monitoring & Measuring Devices

The supplier shall establish and implement a documented procedure for Control of Monitoring & Measuring Devices where appropriate to the organization.

### Selection of Measurement Equipment

NOV shall provide the acceptance criteria for the finished product. The Supplier shall select the testing, monitoring, and measurement equipment to ensure that stated criteria are met. The equipment shall be verified and/or calibrated prior to use.

### Maintenance of Measurement Equipment

The Supplier shall establish and implement procedures which control the integrity, care, and intended use of monitoring and measurement equipment.

Records associated with evidence of the verification and calibration activities shall be maintained.

In the event a device was determined to be out of calibration when received by the calibration lab, the supplier shall conduct a full review of all measurements made with the suspect gauge since previous successful calibration to determine if there was any product impact. Notification shall be sent to NOV concerning any impacted products and recommendations for action. The supplier shall document and implement a recall procedure.

The Supplier shall provide a listing of each measuring device used during the manufacturing and testing process of NOV product (see Section 10.5, Manufacturing Record Book (MRB) requirements).

## 7.11 Source Inspection

When required by contract, NOV reserves the right to conduct inspection at the Supplier's or sub-supplier's location. When requested, it will be the supplier's responsibility to ensure adequate space, personnel and tools are available to adequately conduct the inspection.

### **7.12 Shelf-life Control**

For those products or components with a shelf-life (elastomers, epoxies, coatings, lubrications, etc.), the supplier shall establish and implement a documented procedure for their control, monitoring, rotation, and elimination.

### **7.13 Product Inspection**

Unless otherwise stipulated by the contact, the Supplier shall conduct 100% inspection of all Critical dimensions or features as required by the drawing(s) and/or any associated ITP. NDE shall be per referenced specifications when required. Final inspection reports shall be provided to NOV and are to include a listing of any gauges used and their calibration status. The report must clearly indicate final acceptance status and who authorized the release of the product.

### **7.14 Product Identification & Traceability**

NOV is responsible for specifying the requirements and the method of traceability required for each component or assembly. The Supplier shall have an established and implemented documented procedure in place to satisfy these requirements. The procedure shall, at a minimum, address the requirements outlined here plus the requirements contained in the NOV Quality Clause # 103189107: Clause 14, Traceability General Requirements and the Quality Clause # 103188847: Clause 02 Raw Material General Requirements.

The documented Mill Test Certificates/Reports (MTRs) shall be reviewed by the supplier, conducted by a competent person to ensure material received conforms to NOV drawings, material specifications, and the Supplier's purchase order. All Mill Test Certificates/Reports shall be legible, signed or initialed, and dated by a supplier representative to indicate the MTR has been reviewed to a known standard and all information is complete and agrees with requirements.

#### Mill Test Certificates/Reports Information

MTRs shall meet specified material specifications or drawing requirements and contain the following, as applicable:

- Manufacturer's name and address
- Purchase order number/work order number
- Material type and grade
- Chemical properties
- Mechanical properties
- Quantity
- Dimensions

### **7.15 Country of Origin**

The Supplier shall adequately mark and/or identify the Country of Origin for products provided to NOV.

### **7.16 Control of Nonconforming Material**

#### **7.16.1 General**

The Supplier shall establish, document, and implement a procedure governing the controls and related responsibilities and authorities for addressing nonconforming material. At a minimum, this procedure shall include:

- a) product identification to prevent unintended use or delivery;

- b) addressing the detected nonconformity by repair or rework (including subsequent reinspection to meet specified requirements), re-grade for alternative applications, release under concession (by customer approval only) and/or reject or scrap;
- c) taking action to prohibit its original intended use or delivery; and
- d) authorizing its use, release, or acceptance under concession by relevant authority and, where applicable, by the customer.

The procedure shall also address nonconforming product identified after delivery, and shall include controls for:

- 1) identifying, documenting, and reporting nonconformances or product failure identified after delivery;
- 2) ensuring the analysis of product nonconformance or failure, provided the product or documented evidence supporting the nonconformity is available to facilitate the determination of the cause;
- 3) taking action appropriate to the effects, or potential effects, of the nonconformance when nonconforming product is detected after delivery.
- 4) Providing on-site (at NOV's location) assistance to the identification, gathering or remediation of nonconforming product when requested.

#### **Records**

Records of the nature of nonconformities and any subsequent actions taken, including concessions obtained, shall be maintained.

### **7.17 Packaging, Preservation, Labelling, Delivery**

The Supplier shall preserve the conformity of the product and constituent parts through delivery to the intended destination. Packaging shall be appropriate to the product, and meet stated requirements. For overseas transportation, packaging shall be required to be seaworthy.

Individual boxes and pallets shall be identified with the part numbers, quantities, and associated NOV PO and line number.

### **7.18 Product Release**

The Supplier shall have a documented procedure to ensure all planned arrangements are satisfactorily completed before release of product to the customer. The procedure shall identify the person or function authorized to release final product prior to shipment to the Customer. Criteria for final product release shall include: Documentation (includes MRB list or other specific requirements), Packaging, Preservation, Labeling, Shipping Requirements, etc.

## **8 RECORDS**

### **8.1 Procedure**

The supplier shall establish and implement a documented procedure addressing the requirements for Control of Records which includes the controls necessary and relevant responsibilities for the identification, collection, indexing, storage, protection, retrieval, retention time, and disposition of records. In addition to the MRB list requirements, examples of records that shall be maintained by the Supplier include:

- Work orders/job routers
- Inspection reports/authorization for release
- Material Test Reports/Records (MTR)

- Trace records
- Competency records for NDE techs, inspectors, welders, painters, or anyone performing or inspecting a special process
- Process instructions, including NDE, coating and weld procedures (approved by NOV)
- Annual Visual acuity records for NDE personnel and inspectors
- Test reports
- Operation manuals
- Heat treating, stress relieving, flame hardening reports
- Paint inspection reports
- Nonconformance Reports (including disposition and corrective actions, if any)
- Approved Supplier List, including evidence of approval and periodic review for Critical Suppliers, including results of on-site evaluations
- Other items as deemed appropriate by the relevant standard, by the supplier, and/or the customer.

## 8.2 Records Retention

Unless otherwise specified by contract requirements, the minimum expected retention period for quality records shall be 10 years. If product is intended for use on API certified equipment, the relevant NOV entity will notify the supplier if additional controls are needed.

## 8.3 Records Submittal

Records submitted to NOV shall be submitted in accordance with specifications or requirements as outlined on the PO. Unless specifically stipulated, manual / hard copy transmittal of critical records (including owners / operational manuals) will not be considered compliant. Unless otherwise stated in the contract, all required records shall be transmitted at or before time of shipment. For services performed at NOV facilities, manual reports will be expected at time of service, but formal reports shall be expected within 5 business days, unless otherwise arranged.

## 8.4 Revisions or changes to Records

Official records will not be accepted with changes using white-out, correction tape, or other such media. Records written in pencil will not be accepted. If a change is required to a record, either a new revision to the existing document is created, or if manually performed, the change and nature of the change must be clearly visible, including the date the change was made, and the legible name and initials of the person authorizing / making said change. Typically, this is shown as striking through the incorrect information and making the correction above or to the side with the date of the change and name / initials of the person making the change. In this example, the original information must still be marginally visible.

## 8.5 Manufacturing Record Books

The supplier shall be responsible for providing accurate and compliant Manufacturing Record Books (MRB) to NOV in a timely manner. The format and content of the MRB shall be per NOV's Specification 101444171 "Manufacturing Record Book (MRB) Requirements for NOV-RS Suppliers" or per IADC's Specification GU-IADC-SC-004 as outlined in NOV's Specification.

## 9 DEFINITIONS & ACRONYMS

<b>Acceptance Criteria</b>	Specified limits of acceptability applied to process or product characteristics.
<b>Acceptance Inspection</b>	Demonstration through monitoring or measurement that the product complies with specified requirements.
<b>ASL</b>	Approved Supplier List, sometimes referred to as AVL.
<b>Buyer</b>	NOV personnel authorized to issue POs to Supplier.
<b>Calibration</b>	Comparison and adjustment to a standard of known accuracy.
<b>Can</b>	Requirements are conditional and indicate a possibility open to the user of this standard.
<b>Contractor</b>	Internal or external Supplier or provider of products and/or processes and/or services provided to NOV. The term subcontractor may also be used. (See Supplier)
<b>Customer</b>	The client to NOV.
<b>Customer Supplied Material (CSM) *</b>	Material owned by the customer and furnished for incorporation into the item. May include consigned raw material. (See Free Issue Items)
<b>Delivery</b>	Point in time and physical location at which the agreed transfer of ownership takes place according to Incoterms.
<b>Exception</b>	A documented request by the Supplier to take exception to a PO requirement.
<b>Field Nonconformity</b>	Product nonconformity as detected after delivery or use has started.
<b>May</b>	A course of action which is permissible within the limits of the standard (permission).
<b>Miscellaneous</b>	Inspection/Traceability Category: Not critical; Non-load path and only visual inspection required.
<b>MRB</b>	Manufacturing Record Book.
<b>NOV</b>	National Oilwell Varco LP, its Subsidiaries and Affiliates, the Purchaser/Company. In this document, NOV refers specifically to the NOV Rig Technologies division.

<b>PO</b>	Purchase Order
<b>Purchaser</b>	National Oilwell Varco LP (NOV), its Subsidiaries and Affiliates
<b>QHSE</b>	Quality, Health, Safety, Environment
<b>QMS</b>	Quality Management System
<b>Shall</b>	An absolute requirement which must be strictly followed to ensure conformance to NOV requirements and this document.
<b>Should</b>	A recommendation where alternative solutions having the same functionality and quality are acceptable.
<b>Sub-supplier</b>	Contractor's Supplier producing product and/or services affecting NOV. The requirements of this document apply to all Sub-Suppliers of Special Processes.
<b>Supplier</b>	An internal or external Contractor, Subcontractor or Vendor supplying materials, fabricated product, commercial product and/or services to NOV. (See Contractor)