TITLE: Quality Requirements for Suppliers

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This is a Controlled Document, changes *shall* be implemented through Hyde Aero Products Group Quality in accordance with Change Request Form HYDE/QUAL/FM/013 and *shall* result in an up-issue of the document.

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*The latest five change references *shall* be visible within the current document change control table.

**The details of all changes, as referenced above, are located within the IMS and are identifiable by a vertical line in the right hand margin.

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1. Introduction

This document establishes the quality system requirements for suppliers of Hyde Aero Products Ltd. engaged in the design, manufacture, and quality control of product, as well as for suppliers involved in the provision of services. The requirements stated herein align with the requirements of AS9100 and ISO9001.

The HAP Quality Requirements for Suppliers shall apply to:

- Engineering Product Manufacturers
- Sub-contractors
- Component Off The Shelf suppliers
- Distributors
- Stockists
- Repairers
- Tool suppliers
- Service Providers

The latest revision of this document can be found at Hyde Group under Terms & Conditions.

2. Abbreviations

ASL	Approved Supplier List
DSA	Delivery Schedule Adherence
FAIR	First Article Inspection Report
FOD	Foreign Object Debris
HAP	Hyde Aero Products
ISO	International Organisation for Standardisation
NADCAP	National Aerospace and Defense Contractors Accreditation Program
NCR	Non Conformance Report
OEM	Original Equipment Manufacturer
PFMEA	Process Failure Mode and Effects Analysis
PO	Purchase Order
QMS	Quality Management System
QRS	Quality Requirements for Suppliers
RCCA	Root Cause and Corrective Action
RFT	Right First Time
T&C	Terms and Conditions

3. Definitions

Buyer	HAP employee who has placed the PO
Counterfeit Product	Unlawful or unauthorised reproductions, substitutions, or alterations that have been knowingly mismarked, misidentified, or otherwise misrepresented to be an authentic, unmodified part from the original manufacturer
Product	A deliverable item, this could be a Part/Sub Assembly/Assembly/Material
Shall	Indicates a requirement
Should	Indicates a recommendation
Supplier	A company that provides a service, product, material, or assembly to HAP

4. Reference Documents

AS6174 – Counterfeit Material; Assuring Acquisition and Conforming Material
AS9100 – Quality Management Systems – Requirements for Aviation, Space and Defense Organisations
AS9102 – First Article Inspection
AS9146 – Foreign Object Damage (FOD) Prevention Program - Requirements for Aviation, Space, and Defense
DEFSTAN 05-135 – Avoidance of Counterfeit Materiel
FM029 – New Supplier Application Form
FM036 – Quality Alert
FM398 – HAP FAIR Defect Sheet
ISO9001 – Quality Management Systems
ISO14001 – Environmental Management Systems

5. Scope

HAP Quality Requirements for Suppliers are defined within this document. When referenced on purchase orders or contracts issued by HAP, this document is contractually binding. The PO shall quote QRS-01 and flow down any relevant customer requirements, specifications, or engineering data.

These requirements shall be reviewed and understood prior to purchase order/contract acceptance. PO acceptance shall serve as confirmation that the supplier is compliant to all relevant sections of this document.

Approval for deviations from the stipulated requirements herein shall be granted by the HAP Divisional Head of Quality. Requests for such deviations shall be formally documented and sent to quality@hydeaero.co.uk for assessment. If there are conflicts between the PO/Contract and the requirements outlined in this document, the requirements specified in the Purchase Order/Contract shall take precedence over this document. This includes any customer quality requirements quoted within the header text of the PO.

6. Right of Access

The supplier shall guarantee the right of access to their facilities and quality related data to the regulatory authorities, HAP, and HAP's customers.

7. Hyde Aero Products New Supplier Approval

HAP utilises an Approved Supplier's list, which mandates that a supplier shall undergo evaluation and approval before a purchase order can be issued. New suppliers shall be required to complete FM029 (New Supplier Application Form). New suppliers shall be placed on the ASL under a probationary period of six months; after this period, their performance shall be reviewed for full approval. Subsequently, supplier performance shall be monitored (refer to section 8), and inadequate performance may lead to suspension or loss of approval (refer to section 9).

Depending on the specific requirements of HAP's customers, OEM approval may or may not be necessary for HAP's subcontractors. In cases where OEM approval is required, purchase orders shall only be placed with subcontractors approved for both OEM and HAP's approved supplier lists. If OEM approval is not necessary, the supplier shall be listed on the HAP Approved Supplier list.

Furthermore, if any requirements stated on the PO (including T&C's) cannot be met, the PO shall be rejected at the earliest opportunity.

8. Supplier Performance Monitoring

Supplier performance shall be continually monitored by HAP for adherence to the following:

- Supplier Right First Time (RFT) - ≥99%
- Supplier Delivery Schedule Adherence (DSA) - ≥92%

Failure to meet these requirements may result in additional surveillance, suspension or removal from the HAP ASL (see section 9).

9. Supplier Suspension/Removal from ASL

Once a supplier is approved by HAP, approval shall remain valid unless a supplier:

- Fails to achieve satisfactory performance levels (see section 8)
- Experiences loss or suspension of any relevant approvals
- Is not utilised by HAP for a period exceeding 3 years

In the event a supplier fails to achieve required performance levels over a rolling 6 month period, they shall undergo additional surveillance (for example: additional auditing: a desktop audit/site visit), which may result in suspension or removal from the ASL depending on the severity of issues identified.

Suspended suppliers shall have a period of 3 months to resolve issues highlighted and achieve required performance levels (see section 8). Failure to resolve issues and/or achieve required performance levels shall result in removal from the HAP ASL.

Suppliers removed from the HAP ASL shall only be reinstated with approval from the HAP Divisional Head of Quality.

10. Auditing and Source Inspection

The supplier shall adhere to the Quality Management System requirements specified in this document as well as the requirements of AS9100/ISO9001. Non-compliance with these requirements and/or inadequate supplier performance (see section 8) could lead to an on-site audit or the implementation of source inspection activities. The supplier is required to grant access rights (refer to section 6) if any of these activities become necessary.

11. Quality Management System Requirements

11.1 Material Traceability

The supplier shall establish controls to uphold product identity and traceability throughout the entirety of the product's lifecycle. Traceable documentation shall be readily available to HAP for review.

Furthermore, the supplier shall keep a comprehensive record of all transactions and processes related to a product, starting from the acquisition or receipt of materials and continuing until the product is released. These records shall be maintained in compliance with the guidelines outlined in section 11.4.

Maintaining a clear chain of custody throughout the product's lifecycle is imperative. Each transfer between suppliers and/or processes shall be supported by documented evidence, which includes any sub-tier subcontracting.

11.2 Risk Management

The supplier shall have a process in place to identify and manage risk within the context of the organisation. Information regarding risks and mitigating actions shall be made available to HAP upon request.

Suppliers should utilise tools such as PFMEA’s, Control Plans, and other risk management techniques in order to mitigate risk.

11.3 Personnel Qualification/Authorisation

The supplier shall identify specific staff that have responsibility for verification/certification of products or services for HAP.

Suppliers shall ensure that these individuals have undergone sufficient training relevant to their role within the organisation. Additionally, the supplier shall conduct regular competency assessments to confirm that these personnel are competent, possess any necessary qualifications, and are capable of effectively fulfilling their duties.

11.4 Record Retention

The supplier shall establish and maintain an effective system to retain records indefinitely.

All records shall be legible and be kept on file available to HAP upon request. HAP quality department shall be notified in writing to quality@hydeaero.co.uk at least 30 days prior to record deletion. HAP shall provide permission to dispose of records where acceptable, where this is not deemed acceptable, records shall be retained.

11.5 First Article Inspection

The supplier shall perform a First Article Inspection, on product from each first lot shipment, to verify all engineering characteristics. This first article process shall adhere to the requirements specified in the HAP Purchase Order/Contract, which may reference the end customer's FAIR process requirements when applicable, and/or AS9102.

a) Suppliers shall comply with the latest issue of AS9102 for all first article inspections, as well as any HAP customer FAIR requirements. The FAIR shall be submitted to HAP Quality (quality@hydeaero.co.uk) along with the first lot/shipment.

b) Upon receipt, HAP shall review FAIR's in accordance with the relevant standards. Form FM398 'HAP FAIR Defect Sheet' shall be utilised when returning a FAIR to suppliers, this shall list all required amendments.

c) A HAP source inspector at the supplier's facility may verify FAIR's.

d) The supplier is required to keep a copy of the FAIR on file in accordance with HAP record retention requirements. (see section 11.4).

11.6 Inspection

Suppliers shall have a process in place to verify that all product conforms to design requirements.

100% inspection of product shall be carried out, unless written authrisation is received from the HAP Divisional Head of Quality for sample/reduced inspection.

Personnel carrying out inspection activities shall be competent to do so (see section 11.3).

11.7 Non-Conforming Material Control

Suppliers shall have a process in place for the control of non-conforming material. HAP requires that all product is provided in a condition that complies with design requirements and all applicable specifications.

If defective material is discovered prior to release to HAP, the suppliers process shall ensure that all defective material is controlled and quarantined in order to prevent unintended release to HAP.

If there is a need to deliver non-conforming material to HAP, the items shall be clearly identified to indicate the non-conformance. Accompanying paperwork shall also highlight that the material is non-conforming.

Should the supplier determine that non-conforming material has been provided to HAP, the supplier shall follow the steps outlined in section 11.8.

When HAP raise a non-conformance on a supplier, the supplier shall be notified of the rejection, and the product shall be rejected with a copy of the NCR report. Suppliers shall comply with the below maximum timescales, unless otherwise agreed:

- Containment – 48 Hours
- RCCA – 30 Days

Responses shall be reviewed, and if acceptable, the NCR shall be accepted and closed. In the event an NCR response is rejected, suppliers shall be notified and additional information requested.

11.8 Escape of Non-conforming Product

In the event the supplier discovers or suspects that previously delivered product is non-conforming, HAP shall be notified within 48 hours.

Notification shall be completed on HAP Form FM036, which can be provided upon request to (quality@hydeaero.co.uk).

11.9 Prevention of Counterfeit Product

The supplier shall establish measures to prevent the utilisation of counterfeit product. This involves training relevant personnel to recognise and prevent the use of counterfeit product.

If the supplier discovers or suspects that product is counterfeit after delivery to HAP, they shall promptly inform HAP Quality in accordance with the guidelines outlined in Section 11.8.

Suppliers counterfeit product prevention process should consider:

- Training of appropriate persons in the awareness and prevention of counterfeit product
- Controls for acquiring externally provided product from original or authorised

manufacturers, authorised distributors, or other approved sources
- Requirements for assuring traceability of product to its original or authorised manufacturers
- Verification and test methodologies to detect counterfeit product
- Monitoring of counterfeit product reporting from external sources
- Quarantine and reporting of suspect or detected counterfeit product

Suppliers are encouraged to work in accordance with DEFSTAN 05-135 for Avoidance of Counterfeit Material & AS6174 – Counterfeit Material; Assuring Acquisition and Conforming Materiel.

11.10 Change Management

The supplier shall notify HAP via email (quality@hydeaero.co.uk) of any changes relating to the following:

- Major changes to the QMS
- Changes in the location of facilities or manufacturing equipment
- Engineering changes which may affect the fit, form or function of product
- Organisation name change/change of ownership
- Change to certification status, including suspension or withdrawal
- Change of sub-tier subcontractor (post FAIR approval)

Notification shall include the following information as a minimum:

- Relevant HAP PO number (where applicable)
- Detailed description of proposed change
- Proposed date of implementation
- Proposed First Ship Date for change (where applicable)
- Last date of manufacture of the unchanged product (where applicable)
- Name, address, telephone, and email of supplier contact

Notification of changes shall be submitted prior to their implementation to enable HAP to evaluate any potential impact. Changes shall be communicated 60 days prior to implementation.

11.11 Property Belonging to HAP

Some products may necessitate the use of HAP or HAP customer tooling during manufacture. When such tooling is necessary, it shall be provided to suppliers for use in the manufacturing process. The supplier shall ensure that tooling is damage free upon receipt and highlight any issues to the buyer.

Once tooling is at the suppliers site, the supplier is responsible for control of the tool. Suppliers shall ensure that all traceability is maintained during use, including any physical tool marking and chain of custody for tooling movement. Additionally, suppliers are liable for any damage sustained to tooling during its use.

Upon completion of the contract, the tooling shall be returned to HAP.

11.12Sub-tier Subcontracting

Suppliers shall guarantee that sub-tier subcontracting, if relevant, is conducted through sub-tier organisations approved by the OEM of the product. In cases where the OEM lacks an Approved Supplier List (ASL), the supplier shall adhere to the release specifications specified in the HAP PO (AS9100/ISO9001/UKAS etc.) and exclusively utilise sub-tier suppliers possessing the appropriate approval.

The supplier shall flow down all relevant PO clauses and QRS01 to all relevant sub-tier suppliers. Ensuring that compliance with these requirements is achieved throughout the supply chain.

Suppliers shall ensure adherance to the following:

- Where OEM supplier approval is required, only OEM approved suppliers are utilised
- Risks pertaining to the use of sub-tier suppliers are managed in accordance with section 11.2
- Product/processes supplied by sub-tier suppliers are reviewed for compliance to all relevant standards and requirements

The supplier is responsible for the validation of any further subcontracting.

11.13Ethics

All HAP suppliers should be committed to the promotion of operating within an ethical framework for all its spheres of influence and within all its associated companies and sub-tiers.

Suppliers should promote the upholding of human rights in two spheres of influence:

(a) In the workplace:

- By providing safe and healthy working conditions by the application of UK Law
- By guaranteeing freedom of association
- By ensuring non-discrimination in personnel practices by the application of UK Law
- By ensuring that they do not use directly or indirectly forced labour or child labour, and ensure that your supply chain abide by the Modern Slavery Act

(b) In the community

- By preventing the forcible displacement of individuals, groups or communities
- By working to protect the economic livelihood of local communities

Suppliers should also consider their environmental impact. Ideally, suppliers should be approved to ISO14001 (Environmental Management Systems).

11.14 Foreign Object Debris

The supplier shall establish and maintain a Foreign Object Debris prevention process. The complexity and scope of this procedure and associated training shall align with the FOD risk determined by the supplier.

Suppliers should work in accordance with the requirements of AS9146.

11.15 Release

The supplier shall provide a Certificate of Conformity with each delivery, which shall contain the following:

- Name and address of the supplier
- HAP Purchase Order Number and Line Item Number
- Part Number
- Part Revision
- Drawing Revision
- Product Description
- Quantity
- Serial number (where applicable)
- Reference to any applicable Concession, Production Permit etc. (where applicable)
- Signature or stamp of authorised release personnel
- FAIR Number (where applicable)
- Statement that the goods supplied are conforming to all requirements (where applicable)
- Release approval number (AS9100/ISO9001/Customer etc.)
- Release date
- Heat/Lot number of material (where applicable)
- Specifications you have worked to, including revision status (where applicable)

11.16 Packaging and Despatch

The supplier shall ensure that all material is packaged securely and adequately to prevent any damage during handling, storage, and transportation.

The choice of packaging materials shall consider factors such as fragility, surface finish requirements, size, weight, and the method of transportation. Upon receipt of goods at HAP, all materials shall be inspected for damage. Any damaged product shall be rejected, and a non-conformance report issued (see section 11.7).