

BAE Systems - Air

Quality Requirements - Standard Conditions of Purchase

Ref: PROQ30745

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1 Introduction

BAE Systems is a global company organised into business areas covering different sectors, including Air, Land & Sea with each business area having specific supplier Quality requirements aligned to the associated product / service range. As part of an approach to further increase cross business area integration and rationalise documentation, the previous BAE Systems Standard Conditions of Purchase Document used for many years by the Military Air Sector business formerly known as Military Air & Information (Ref. PSM R0061) has been withdrawn from use for new Orders; this has been replaced by the BAE Systems Standard Conditions of Purchase (2018 Edition).

It should be noted that the Purchaser is also known as BAE Systems Aircraft Business Unit's or BAE Systems – Air (formerly BAE Systems Military Air & Information), both organisations being synonymous with each other.

The BAE Systems Standard Conditions of Purchase (2018 Edition) applies to new Orders raised and can be found on the BAE Systems Web Site at the following address:

<https://www.baesystems.com/en/what-we-do/suppliers/united-kingdom>

It should be noted that unlike PSM R0061 which had been previously customised by the former Military Air & Information business to include baseline Quality Conditions / Requirements, the BAE Systems Standard Conditions of Purchase (2018 Edition) does not identify any specific Quality Conditions / Requirements. Therefore, this document has been produced to identify the baseline Quality Conditions / Requirements and is complementary to the BAE Systems Standard Conditions of Purchase (2018 Edition).

2 Applicability

The requirements of this document apply when this document is invoked on an Order, this includes a Purchase Order / Contract, or referenced within a Business Agreement or Statement of Work.

3 Order of Precedence

If any inconsistency exists between the Order or its general provisions and the content within this document or the Suppliers Quality Approval / Authorisation (Approval), the Supplier shall seek written clarification from BAE Systems (through the Procurement representative).

4 Supplier Quality Conditions & Requirements

Within this document, a range of Quality Conditions and Requirements (Order Clauses A to Z) are identified (Para 5), these include Supplier Quality Approval Requirements, Non-Programme Specific Quality Requirements and Programme Specific Supplier Quality Requirements.

Applicable Order Clauses (A to Z) shall be invoked on every Order through either reference to the applicable Order Clause and / or by inclusion of the applicable Order Clause verbiage.

Additionally, a range of Generic Requirements (Para 6) are identified, of which all apply to every Order (these shall not be referenced separately in the Order).

5 Order Clauses

5.1 The Order Clauses identified below (A to Z) are aligned to the following areas:

- I. Supplier Quality Approval Requirements.
- II. Non-Programme Specific Quality Requirements.
- III. Programme Specific Supplier Quality Requirements.

I. Supplier Quality Approval Requirements:

Where the Supplier holds a Supplier Quality Approval issued by the Purchaser; the Order shall be carried out in accordance with the Supplier Quality Approval requirements indicated by the Order Clause identified on the Order (these are limited to the following range of Order Clauses: B, C, E, S, W & Y). It should be noted that in cases where a specific Supplier Quality Approval is not required to be issued to the Supplier, the Quality Requirements will be identified on the Order.

II. Non-Programme Specific Supplier Quality Requirements:

Additionally, on a case by case basis, a number of General Quality Requirements may be identified on the Order and are limited to the following range of Order Clauses: J, K, N, O, P, Q, R & U.

III. Programme Specific Supplier Quality Requirements:

Dependant upon which Programme(s) the Order is for, a range of Order Clauses apply for each Programme (these shall be identified on the Order) and are limited to the following range of Order Clauses A, D, F, G, H, I, L, M & T:

- AV-8B Harrier: Order Clause A
- Hawk: Order Clause D
- Hawk: Order Clause F
- Typhoon: Order Clause G
- F-35 Lightning II: Order Clause H
- Jaguar: Order Clause I
- Tornado: Order Clause L
- Training Services: Order Clause M
- T-45 Goshawk: Order Clause T

For Programmes not referenced above, Programme specific Quality Requirements shall be additionally invoked on the Order.

Order Clauses:

- (A) AV-8B Programme: For parts or raw material, where the Boeing Standard or Specification requires approved manufacturers and / or authorized distributors to be used, only those named sources shall be used (those sources do not need to be listed in the BAE Systems (Aircraft Business Units) Register of Evaluated Suppliers BAE/AG/QC/SC10). Where the Standard or Specification does not name an approved / authorized source (or states 'OPEN BID' or 'SUGGESTED' sources) BAE Systems (Aircraft Business Units) Register of Evaluated Suppliers BAE/AG/QC/SC10 listed sources shall be used.

For Build To Print (BTP) work packages, where there is a Drawing requirement to use special processes listed in the Boeing Process Specification Index, sources shall be listed in both the Boeing Approved Process Sources list D1-4426 and in the BAE Systems (Aircraft Business Units) Register of Evaluated Suppliers BAE/AG/QC/SC10).

Refer to D1-4426 for the complete requirements and instructions:

<http://active.boeing.com/doingbiz/d14426/index.cfm>.

Suppliers are solely responsible for the quality of their products, including any features or processes contracted to a sub-tier supplier. If the product specification includes a Qualified Products List (QPL), or Qualified Manufacturers List (QML) then the manufacturer of the product must be listed on the QPL/QML. If Seller is a Distributor or other than the manufacturer, then the manufacturer's name and location (city and state) shall be identified within Seller's shipping documentation.

Where applicable, Seller shall implement a counterfeit electronic parts detection and avoidance system consistent with the requirements of SAE standard AS5553 (latest dated version as of the effective date of the contract). Seller shall include the substance of this article, including this flow-down requirement, in all subcontracts for electronic parts awarded by Seller for work under this Contract.

Additional Quality Requirements may be identified on the Order on a case by case basis.

- (B) The Supplier shall ensure that the Order is carried out in conformity with the Quality requirements of its applicable Civil Airworthiness Authority Approval (as identified in the BAE Systems (Aircraft Business Units) Supplier Quality Approval (where issued to the Supplier).
- (C) The Supplier shall ensure that the Order is carried out in conformity with the Quality requirements of its BAE Systems (Aircraft Business Units) Supplier Quality Approval (BAE/AG/QC/SC1 Parts 1 to 7 (Part applicability applies) (Approval Ref: BAE/AG/#####/MAA).
- (D) Hawk Programme (Systems & Equipment Suppliers): The supply of Product / Service shall comply with the requirements of Hawk Quality Conditions for Equipment Suppliers, Ref: PROQ30217 (Latest Issue).
- (E) Exceptional Arrangements: The Supplier shall ensure that the Order is carried out in conformity with the Quality requirements specified on the Order and / or as identified in the specific Supplier Quality Authority (where issued to the Supplier), these typically include the following Authorisations: Letter of Authority (LOA), Temporary Letter of Authority (TLOA) and Single Purchase Authorisation (SPA).
- (F) Hawk Programme (Build to Print Suppliers): The supply of Product / Service shall comply with the requirements of Hawk Quality Conditions for Subcontract (Build to Print) Suppliers, Ref: BAE/HWK/ST/0004 (PROQ13231) (Latest issue).
- (G) Eurofighter Typhoon Programme (Systems & Equipment Suppliers): The supply of Product / Service shall comply with the requirements of BAE Systems Eurofighter Procedure 'Quality Assurance Requirements For Suppliers', Ref: QAP-J-0-E-1001 (Latest issue).
- (H) F-35 Lightning II Programme: The supply of Product / Service shall comply with the requirements of BAE Systems F-35 Lightning II Supplementary Quality Requirements, Ref: BAES-JSF-QMS-141-03-DV (Issue as stated on the Purchase Order).
- (I) Jaguar Programme: Quality Requirements shall be identified on the Order on a case by case basis.
- (J) The Supplies are subject to surveillance by a National Quality Assurance Representative (NQAR) or National Quality Assurance Authority (NQAA). When Government Quality reassurance is required, release documentation (e.g. Certificate of Conformity) shall be authorised by the relevant NQAR / NQAA.

- (K) The Supplies are to be used on Safety Critical Items, Control Systems and Personnel Escape / Survival Systems; Independent Inspection is required in accordance with UK MOD Independent Inspection Requirements for Safety Critical Items, Ref: Def Stan 05-61 Part 9 (Latest issue).
- (L) Tornado Programme (Systems & Equipment Suppliers): The supply of Product / Service shall comply with the requirements of Panavia Quality Requirements for Tornado Suppliers, Ref: PQAR-1 (Latest issue).
- (M) Training Services: The Order is in furtherance of the provision of Training Services, the Supplies of Product / Service shall comply with the requirements of BAE Systems Military Air & Information (MAI) Defence Information, Training & Services (DIT&S) Contractual Training Quality Requirements For Suppliers, Ref: PROQ1908 (latest Issue).
- (N) The procurement of Explosives and Prohibited Weapons (EaPW) shall meet the mandatory legislative requirements of Control of Explosive Regulations (COER) 1991, 1968 Firearms Act (as amended) and any national regulations applicable to non-UK Orders. Packaging and Transportation of EaPW shall comply with mandatory National and / or International regulations as applicable (e.g. 1968 Firearms Act (as amended), European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR), International Air Transport Association (IATA), International Maritime Dangerous Goods (IMDG) etc.).
- (O) All Explosives and Prohibited Weapons (EaPW) deliveries shall be accompanied by a Material Safety Data Sheet (MSDS), the Vehicle Certification Agency (VCA) packing certificate, the Competent Authority Document (CAD), release documentation (e.g. Certificate of Conformity) and the relevant dangerous goods documentation.
- (P) Acceptance of this Order constitutes confirmation by the Supplier that it is either the Original Equipment Manufacturer (OEM), Original Component Manufacturer (OCM), or a franchised or authorised distributor of the OEM/OCM for the Supplies herein procured. The Supplier further warrants that OEM/OCM acquisition documentation that authenticates traceability of the components to that applicable OEM is available upon request. If the Supplier is not the OEM/OCM or a franchised or authorised distributor, the Supplier confirms by acceptance of this Order that the Supplies provided to the Purchaser has been procured from the OEM/OCM or a franchised or authorised distributor of the OEM/OCM. The Supplier further warrants that OEM/OCM acquisition traceability documentation is accurate and available to the Purchaser upon the Purchaser's request. A breach of this clause or any subparagraph herein shall be considered a material breach of this Order.

The Supplier represents and warrants that only new and authentic materials are used in products required to be delivered to the Purchaser and that the Supplies delivered contain no counterfeit parts. No other material, part, or component other than a new and authentic part is to be used unless approved in advance in writing by the Purchaser. To further mitigate the possibility of the inadvertent use of counterfeit parts, the Supplier shall only purchase authentic parts/components directly from the OEMs/OCMs or through the OEM's/OCM's authorised distribution chain. The Supplier must make available to the Purchaser, at the Purchaser's request, OEM/OCM documentation that authenticates traceability of the Supplies to that applicable OEM/OCM. Purchase of parts/components from independent distributors is not authorised unless first approved in writing by the Purchaser's Procurement Representative. The Supplier must present complete and compelling support for its request to use independent distributors and include in its request all actions to ensure the parts/components thus procured are legitimate parts. The Purchaser's approval of the Supplier's request(s) does not relieve the Supplier of responsibility to comply with all Order requirements, including the representations and warranties in this clause. A breach of this clause or any subparagraph herein shall be considered a material breach of this Order.

- (Q) The Supplier guarantees that the Supplies it intends to deliver to Purchaser:
- Is eligible for the OEM's warranty.
 - Is eligible for the OEM's support and services in accordance with OEM policies.
 - Is accompanied by a valid software license where applicable.
 - Is reported back to the OEM as sold to BAE Systems.
 - If the supplies do not fulfil any of the obligations above, the Supplier is in breach of Order with the Purchaser. The Purchaser reserves the right to check the origin of the supplied products on receipt.
- (R) The supplies shall be accompanied by the manufacturer's Declaration of Conformance as evidence of conformity with EU Directives, where appropriate.
- (S) The Supplier shall ensure that the Order is carried out in conformity with the Quality Requirements of its applicable Quality Certification (e.g. ISO 9001, EN91xx Series Standard (or technically equivalent, i.e. AS, JISQ, SJAC), ISO/TS 16949 / IATF 16949) and any additional requirements as specified within the BAE Systems (Aircraft Business Units) Supplier Quality Approval (where issued to the Supplier).
- (T) T-45 Goshawk Programme: For parts or raw material, where the Boeing Standard or Specification requires approved manufacturers and / or authorized distributors to be used, only those named sources shall be used (those sources do not need to be listed in the BAE Systems (Aircraft Business Units) Register of Evaluated Suppliers BAE/AG/QC/SC10). Where the Standard or Specification does not name an approved / authorized source (or states 'OPEN BID' or 'SUGGESTED' sources) BAE Systems (Aircraft Business Units) Register of Evaluated Suppliers BAE/AG/QC/SC10 listed sources shall be used.

For Build To Print (BTP) work packages, where there is a Drawing requirement to use special processes listed in the Boeing Process Specification Index, sources shall be listed in both the Boeing Approved Process Sources list D1-4426 and in the BAE Systems (Aircraft Business Units) Register of Evaluated Suppliers BAE/AG/QC/SC10).

Refer to D1-4426 for the complete requirements and instructions:

<http://active.boeing.com/doingbiz/d14426/index.cfm>.

Suppliers are solely responsible for the quality of their products, including any features or processes contracted to a sub-tier supplier. If the product specification includes a Qualified Products List (QPL), or Qualified Manufacturers List (QML) then the manufacturer of the product must be listed on the QPL/QML. If Seller is a Distributor or other than the manufacturer, then the manufacturer's name and location (city and state) shall be identified within Seller's shipping documentation.

Where applicable, Seller shall implement a counterfeit electronic parts detection and avoidance system consistent with the requirements of SAE standard AS5553 (latest dated version as of the effective date of the contract). Seller shall include the substance of this article, including this flow-down requirement, in all subcontracts for electronic parts awarded by Seller for work under this Contract.

Additional Quality Requirements may be identified on the Order on a case by case basis.

- (U) A First Article Process shall be performed on the first full production configured item that is manufactured, assembled, processed and tested in the same manner as that intended for subsequent production items in accordance with BAE Systems Programme requirements.

Where the Supplier holds EN9100 (or technically equivalent, i.e. AS, JISQ) Certification, the Supplier shall undertake First Article Inspection in accordance with the requirements of AS/EN/SJAC 9102 standard (unless otherwise notified).

- (V) Not allocated.

- (W) The Supplier shall ensure that the Order is carried out in conformity with its applicable AQAP 2000 series Approval (or previous series if contracted against) and any additional requirements as specified within the BAE Systems (Aircraft Business Units) Supplier Quality Approval (where issued to the Supplier).

- (X) Not allocated.

- (Y) The Supplier shall ensure that the Order is carried out in conformity with the Quality requirements of its applicable UK Ministry of Defence (MOD) Maintenance Approved Organisation Scheme (MAOS), Military Aviation Authority Regulatory Publication (MRP) Part 145 Approval (as identified in the BAE Systems (Aircraft Business Units) Supplier Quality Approval (where issued to the Supplier).

- (Z) Not allocated.

6 Generic Requirements

- 6.1 The Supplier shall maintain a Quality Management System (QMS) that meets the requirements of AS/EN/JISQ 9100 series and that is independently assessed and certified by a Certification Body that is accredited to provide audit and certification of a QMS. In some circumstances, acceptance of other Certified QMS approvals (e.g. ISO 9001 Series) will be considered on a case by case basis. In exceptional circumstances consideration will also be given to the acceptance of QMS approvals from a non-accredited Certification Body.
- 6.2 The Supplier shall ensure that work packages are only undertaken where they hold capability to meet the requirements. Additionally, where a BAE Systems (Aircraft Business Units) Quality Approval is required, work packages shall be covered by the Approval scope. A review of all requirements and invoked documentation, including, drawings, specifications, standards etc. shall be undertaken by the Supplier.
- 6.3 Unless otherwise specifically agreed in writing, all Supplies shall be new.
- 6.4 Upon the Purchaser providing reasonable notice, the Supplier (including its agents and sub-contractors) at no additional cost to the Purchaser or the Purchaser's Customer shall:
- 6.4.1 Allow the Purchaser and persons authorised by the Purchaser (which may include the Purchaser's Customer and Regulatory Authority) access to the Supplier's premises (and those of its agents and sub-contractors) that are being used to carry out work on the Supplies, in order to undertake all applicable assurance activities. These may include, but are not limited to Oversight, Assessment, Investigation, Reviews, First Article Process, Inspection & Test activities.

6.5 Certification Body Audits.

- 6.5.1 The Purchaser operates a risk based approach to Supplier Quality Assurance and may require access to Quality audit information for audits undertaken by your 3rd Party Audit Certification Body. Audit information may be provided upon request as detailed below:
- For Suppliers holding EN91xx Series (or technically equivalent, i.e. AS, JISQ, SJAC) approval, the preferred route is via OASIS access or by the provision of electronic copies.
 - For Suppliers not holding EN91xx Series (or technically equivalent, i.e. AS, JISQ, SJAC) approval, the provision of electronic copies will be required.

6.6 Quality Record Requirements.

- 6.6.1 It is required that a documented Quality Records Process is established which satisfies all applicable legal, regulatory, product liability and contractual requirements and specifies the quality records required relating to the product / service (including, where applicable and without limitation, in relation to design, production, maintenance repair and overhaul) (the Quality Records and the Quality Records Process). Additionally, it shall address the language (English, either in original or translated form), legibility, identification, storage, protection, retrieval, retention and destruction or disposal of the Quality Records. Examples of product / service related Quality Records include, but are not limited to: design, development; test and qualification; manufacturing / production; control of inspection, measuring and test equipment (including calibration); control of Customer supplied product; product traceability; product / service release documentation; maintenance repair and overhaul; product / service non-conformance and corrective action; staff competence / authorities; evaluation of suppliers and subcontractors.
- 6.6.2 Quality records shall be retained and stored by the Supplier in accordance with the Quality Records Process and made available upon request to the Purchaser, Purchaser's Customer, the end user of the product / service, applicable regulators and similar public bodies and / or in each case their nominated representatives. Quality records shall not be destroyed or disposed of without prior written authorisation from the relevant Purchaser's Quality Authority. In all instances Quality records shall be offered to the appropriate Purchaser's Quality Authority prior to destruction or disposal.

6.7 Product Safety Management (PSM).

- 6.7.1 There has been an increase in the emphasis on Product Safety Management (PSM) throughout many industries worldwide, including Aerospace and Defence, noting PSM equally applies to all types of Organisations (not just Design Organisations). Requirements have been formalised in a number of external standards (including Quality Standards); all Suppliers need to ensure:
- PSM is fully considered as appropriate, recognising the complexity and criticality of the Product / Service.
 - PSM is included within the Suppliers Quality Management System, meeting the requirements identified within AS/EN/JISQ 9100 as a minimum.

6.8 Counterfeit Prevention & Control (CPC).

- 6.8.1 The increase of counterfeit activities continues to represent a threat to a number of industries worldwide, including Aerospace and Defence. It is recognised that counterfeiting operations are becoming increasingly sophisticated, requiring organisations to continually review and update their controls to provide Brand Protection and strive for the elimination of counterfeit parts / materiel / services within the supply chain. Whilst the potential prominence may appear to be in the electronic component sector, the threat is also present

in other sectors. It is essential that all of our Suppliers continue to understand the threat in relation to their business and to ensure appropriate levels of prevention and control are reviewed and maintained to ensure continued suitability. Requirements have been formalised in a number of external standards (including Quality Standards); all Suppliers need to ensure (in addition to the requirements detailed in BAE Standard Conditions of Purchase (2018 Edition), Section 21 – Counterfeit Goods):

- CPC is fully considered as appropriate to the organization and the Product / Service.
- CPC is included within the Suppliers Quality Management System, meeting the requirements identified within AS/EN/JISQ 9100 or Defence Standard 05-135 Avoidance of Counterfeit Material as a minimum.

- 6.9 Where a Purchaser's Quality Approval is held by the Supplier, maintenance of the approval is dependent upon a demonstrable record of conformance against the approval conditions, contract requirements and satisfactory product quality performance. Periodic reviews of your Quality Management System (QMS), product(s) and / or process(es) may be undertaken by the Purchaser's authorised representatives (including Customers / Customer's authorised representatives and regulatory organisations); this may take the form of an on-site visit or risk based assessment. The Purchaser's Quality Authority (including programme Quality Authority) may require the Supplier to undertake additional reviews, improvement, assurance, inspection or test activities addressing specific areas when circumstances so warrant (e.g. satisfactory product Quality performance levels not being achieved / maintained).
- 6.10 It is a requirement that you notify the Purchaser of any changes which may impact upon product / service Quality and / or qualification (these include, but are not limited to changes of: company name, address, facilities / plant, processing methods, Quality certification, fit, form or function. Additionally, areas of risk should also be considered for notification (these include, changes to key staff, re-sizing of your organisation and change of ownership); notification shall be made in advance. Additionally, dependant on commodity type, you may also be required to notify other areas (e.g. Engineering).
- 6.11 Where the Supplier has identified it has delivered non-conforming / potential non-conforming Supplies, the Supplier shall as soon as practicable notify the Purchaser using existing Non-Conforming / Escapes / Alerts Notification Processes.
- 6.12 Qualification of Components / Standard Parts.
- 6.12.1 Components / standard parts which are supported by a BAE Systems technical specification / product standard shall be subjected to a formal qualification process.
- 6.12.2 Qualification is required to establish that the product meets the requirements of the technical specification / product standard and to verify the capability of the manufacturer to produce conforming product.
- 6.12.3 For components / standard parts which are supported by a recognised national / international or Original Component Manufacturer (OCM) proprietary technical specification / product standard shall be subjected to qualification in accordance with the technical specification / product standard requirements; and where required included on the respective QPL.
- 6.13 All products shall be subject to First Article Inspection (FAI) in accordance with AS/EN/SJAC 9102 unless otherwise specified within the order.

- 6.14 The Supplier is responsible for the flow-down of applicable requirements to its lower tier supply base under the Suppliers control and is responsible for all aspects of conformity to the order. In some cases the Supplier shall only use BAE Systems Approved Sources for the procurement of material or where there is a requirement to further subcontract work packages; where this is the case, this will be specified within the Supplier Quality Approval conditions.
- 6.15 In addition to the requirements detailed in BAE Standard Conditions of Purchase (2018 Edition), the following Quality requirements apply to Release Documentation:

Release documentation shall clearly identify the Supplier and shall provide a means to ensure traceability of the Supplies; this may be achieved through the provision of a unique reference number, lot traceability, internal works order number etc. and shall include comprehensive details of the subject Supplies, including any applicable accepted / agreed limitations, qualification status, software status, concessions, production permits, shortages and work outstanding. Applicable concession or production permit documentation shall be supplied with release documentation. An applicable Certification Clause declaring compliance with the Order requirements shall also be included (see examples below). Where a BAE Systems specific Quality Approval / Authorisation has been issued, a reference to the required release conditions (e.g. BAE Systems Approval / Authorisation Number or 3rd Party Certification reference (e.g. EN9100, ISO9001) shall also be included. Release Documentation shall only be approved by Suppliers personnel holding the relevant authority in accordance with the Suppliers Quality Management System.

Examples of Certification clauses below:

- a) It is certified that the articles detailed hereon have been supplied and conform in all respects to the specifications, drawings and contract / order unless otherwise stated on the release document.
- b) It is certified that the articles detailed hereon, have been supplied, are in the same condition as when received and conform in all respects to the contract / order unless otherwise stated on the release document.

Note: Clause b) would typically be used by a Stockist / Distributor.