

15th February, 2018

Hayward and Green Defence Ltd
Units 1 & 2 Terrys Cross Farm
Horn Lane
Woodmancote
West Sussex
BN5 9SA

For the attention of: The Quality Authority

Dear Sir / Madam,

BAE Systems - Air (Aircraft Business Units) Supplier Quality Authorisation - Letter of Authority

BAE Systems is a global company organised into business areas covering different sectors, including Air, Land & Sea. Each business area has specific supplier Quality requirements aligned to the associated product range, noting that within BAE Systems – Air; the term Aircraft Business Units (ABU) relates to a number of programmes (formerly part of BAE Systems Military Air & Information business area).

This Authorisation covers BAE Systems – Air (this includes the former BAE Systems Military Air & Information business area, Regional Aircraft (RA), Defence Information (DI) Programmes, BAE Systems Saudi Arabia and BAE Systems Australia). However, this Authorisation does not include Regional Aircraft (RA), Defence Information (DI) Programmes, BAE Systems Saudi Arabia and BAE Systems Australia who are all part of BAE Systems – Air, but operate to their own supplier quality approval process. Within this Authorisation BAE Systems – Air (Aircraft Business Units) is referred to as BAE Systems.

Following a review of your Quality arrangements, at the location detailed above under the control of the nominated Quality Authority, we have pleasure in granting a Supplier Quality Authorisation as detailed below.

Your BAE Systems Quality Authorisation Scope is:-

THE PURCHASE AND SUPPLY OF EX-MOD STOCK AIRCRAFT PRODUCT ORIGINATING FROM A BAE SYSTEMS AIRCRAFT BUSINESS UNIT APPROVED SOURCE SUPPLY CHAIN (BAE/AG/QC/SC10 LATEST ISSUE REFERS). FOR PRODUCT LISTED ON QUALIFIED PARTS LISTS (QPL) OR SPECIFICATIONS, SOURCES SHALL ALSO BE AS SPECIFIED ON THE RELEVANT QPL / SPECIFICATION. FULL TRACEABILITY SHALL BE PROVIDED WITH ALL DELIVERIES.

IN CIRCUMSTANCES WHERE FULL TRACEABILITY IS NOT AVAILABLE, PRODUCT CAN BE PROVIDED. HOWEVER, THIS IS SUBJECT TO BAE SYSTEMS TECHNICAL AND OR QUALITY APPROVAL OF THE ITEMS ON A CASE BY CASE BASIS, IN LINE WITH PD72 REQUIREMENTS. IN THESE CASES, THE C OF C FROM HAYWARD AND GREEN DEFENCE LTD SHALL BE CLEARLY ENDORSED TO STATE FULL TRACEABILITY IS NOT AVAILABLE ON THIS ITEM AND IT IS RELEASED AT RISK AND SHALL BE HELD IN QUARANTINE BY BAE SYSTEMS UNTIL CLEARANCE VIA PD72 PROCESS IS OBTAINED. THE ITEM / PRODUCT PACKAGING SHALL ALSO BE CLEARLY IDENTIFIED WITH THIS CLAUSE.

SUPPLY OF PRODUCT IN THESE CASES IS LIMITED TO DIRECT DELIVERY TO BAE SYSTEMS - RAF MARHAM ONLY.

FOR ITEMS WITH FULL TRACEABILITY DELIVERY VIA WINCANTON IS ACCEPTABLE.

THE SUPPLIER SHALL ENSURE THAT THE WORK IS CARRIED OUT IN ACCORDANCE WITH THE DOCUMENTED QUALITY REQUIREMENTS IN THEIR QUALITY PLAN, REF: BAE QD01 WHICH HAS BEEN AGREED BY THE RELEVANT BAE SYSTEMS PROGRAMME QUALITY ORGANISATION. ANY AMENDMENTS TO THIS QUALITY PLAN WHICH IMPACT ON THE QUALITY OF THE PRODUCT OR THE SERVICE DELIVERED INTO BAE SYSTEMS SHALL BE AGREED BY BAE SYSTEMS.

LIMITATION: TORNADO PROGRAMME ONLY.

This authorisation is valid from the date of this letter, the validity is dependent upon you maintaining your applicable external Quality certifications and compliance with BAE Systems Quality requirements and any other supplementary programme Quality requirements. This Letter of Authority does not identify an expiry date; however, your company will be subject to periodic risk based assessments by BAE Systems to maintain the authorisation validity. This authorisation shall be disseminated to all relevant areas within your company. If any inconsistency exists between the order or its general provisions and the requirements within this Quality authorisation, the supplier shall seek written clarification from the procurement representative placing the order.

A review of all requirements and invoked documentation, including, drawings, specifications, standards etc. shall be undertaken. Should your company be requested to undertake work for BAE Systems which is outside the scope of your authorisation, you are required to notify the undersigned, to enable a review of the authorisation requirements to be undertaken.

Release documentation (normally a Certificate of Conformity, unless otherwise specified within the purchase order / contract) shall be provided with all deliveries and shall only be approved by personnel holding the relevant authority. In addition to your **ISO9001** release clause you are required to state your Letter of Authority reference number as detailed above on your release document. Additionally, a certification clause shall be included declaring that the product / service conforms to the requirements of the order. See 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.

Release documentation 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. Release documentation 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 etc. applicable concession or production permit documentation shall be supplied with release documentation.

It is a requirement of your authorisation that you notify the BAE Systems issuing authority of your authorisation 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).

Additionally, your company is required to notify BAE Systems where non-conforming, or suspect non-conforming deliverable product or service (including maintenance activities, training provision, technical documentation / information etc.). Notification may be in the form of an Alert / Recall notice, Escape notice or a Supplier Disclosure notice etc. and shall be signed by the Technical Authority and / or Quality Authority. This shall be notified to the BAE Systems procurement representative (for orders placed directly by BAE Systems) within 48 hours of confirmation of the need to raise an Alert or Recall along with relevant supporting information. Where the order is not placed directly by BAE Systems, notification shall be sent through the product / service supply chain. In order for appropriate action to be undertaken and to ensure product safety is not compromised, the following information (as applicable / where known) shall be included in the notification:-

Supplier / manufacturer's name & address; (including contact details); part / drawing number and issue; description; serial / batch number; flight / operational / product safety criticality statement (where known); applicable BAE Systems programme; quantity; release documentation reference; BAE Systems purchase order / contract number; BAE Systems goods receipt note reference (where applicable); delivery destination; delivery date; problem / deviation description; proposed containment, correction and corrective action and any other pertinent information that will enable timely recovery of the subject items.

The supplier shall ensure timely completion of all activities related to the Alert or Recall with all suspect or non-conforming product accounted for and / or disposed of appropriately as agreed with BAE Systems.

Where NDT activities are identified within your Scope of Authority, these activities shall be under the control of your nominated NDT Level 3 (approved by BAE Systems). Should you lose the services of your nominated NDT Level 3, you shall notify the BAE Systems Lead Engineer NDT at materials.governance@baesystems.com and nominate a replacement within 30 days, failure to do so may result in your Authority to undertake NDT activities being withdrawn.

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.

Quality records shall be retained and stored by the supplier in accordance with the Quality Records Process and made available upon request to BAE Systems, BAE Systems' 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 BAE Systems Quality Authority. In all instances Quality records shall be offered to the appropriate BAE Systems Quality Authority prior to destruction or disposal.

Please be advised that BAE Systems and their customers or their nominated representatives, reserve the right of access to review work being undertaken on behalf of BAE Systems.

It should be noted that the International Aerospace Quality Group (IAQG) have developed a range of Quality Management System standards (AS/EN/JISQ 9100 series etc.) and have also published material to support the implementation of the standards and promote the sharing of best practice. The IAQG website provides a range of freely available material (including a Supply Chain Management Handbook) which we consider beneficial to all our suppliers.

The Website address is: <http://www.sae.org/iaqg/>

It is BAE Systems policy to only maintain a supplier's Quality authorisation where there is a known business need. Where it has been identified there is no longer a requirement to maintain a supplier's Quality authorisation, appropriate action shall be taken in conjunction with BAE Systems to facilitate supplier exit arrangements. These will vary depending upon the categorisation of the supplier and type of work packages. Consideration (based on type of supplier) needs to be given to the type of assets and artefacts which may require repatriation to BAE Systems (these include BAE Systems specifications, programme QPL's, drawings, design data, tooling, equipment, free issue product / material). In some cases there may be assets or artefacts which do not require repatriation to BAE Systems, but require appropriate disposal / destruction noting project security considerations; all disposal / destruction requirements shall be agreed with BAE Systems. A review of Quality record requirements shall also be undertaken.

BAE Systems reserves the right to withdraw or amend (including, for example, limitations to restrict the placement of new purchase orders) any (BAE Systems) supplier Quality authorisation at any time. Continued authorisation to receive BAE Systems Orders is dependent upon a demonstrable record of conformance against these requirements and satisfactory product quality performance. Periodic reviews of your QMS, product(s) and / or process(es) may be undertaken by BAE Systems authorised representatives (including customers / customer's authorised representatives and regulatory organisations). The BAE Systems Quality Authority (including programme Quality Authority) may require your company 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).

Authority Reference: LOA/WAR/601/2014

Should you have any queries regarding this authorisation, please contact the undersigned. A BAE Systems Certificate of Authority will be provided to the Quality Authority upon request.

**Yours faithfully,
For and on behalf of
BAE Systems (Operations) Ltd**



**Stephen Pollard
Supplier Quality Assurance Manager
BAE Systems - Air**

BAE Systems (Operations) Limited
Registered Office: Warwick House
PO Box 87, Farnborough Aerospace Centre, Farnborough, Hants, GU14 6YU, UK
Registered in England & Wales No: 1996687

Contact details:
BAE Systems, Quality Department, Approvals Co-Ordination Office
W1D, Warton Aerodrome, Preston, Lancashire, PR4 1AX, UK.
Tel: +44 (0)3300 481662
Email: mai.supplierqa@baesystems.com