QRS-103 Quality Requirements for Subcontracted Parts and GSE, Stockists of Raw Material, Distributors of Parts
QRS-103

Quality Requirements for Subcontracted Parts and GSE, Stockists of Raw Material, Distributors of Parts

Issue Date: June 2019

Issue: 02

CHANGES LOG

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<td>00</td>
<td>April 2015</td>
<td>First Issue – Supersedes IQ S003 rev. A</td>
<td>All</td>
</tr>
<tr>
<td>01</td>
<td>June 2018</td>
<td>Document significantly rewritten and reformatted</td>
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APPLICABLE DOCUMENTS

This document shall be applied together with the main document (QRS-01 Quality Requirements for Suppliers) and with the other applicable modules.
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1 Purpose

This Quality Instruction defines the Leonardo Helicopters (LH) Quality requirements for an approved Subcontractor (Subcontractor, Stockist and/or Offload, Distributors of parts) in furtherance of a Purchase Order for LH.

2 Applicability

This Quality instruction is applicable to:

- Subcontracted Parts
- GSE
- Stockist of Raw Material
- Distributors of Parts

as per definition in QRS01

3 Effective date

Issue date

4 Acronyms, definitions and abbreviations

4.1 Acronyms and abbreviations

<table>
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<th>Acronym</th>
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<tr>
<td>CoC</td>
<td>Certificate of Conformity</td>
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<tr>
<td>CoE</td>
<td>Centre of Excellence</td>
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<tr>
<td>LH</td>
<td>Leonardo Helicopters</td>
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<td>GSE</td>
<td>Ground Support Equipment</td>
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<td>OEM</td>
<td>Original Equipment Manufacturer</td>
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5 Requirements

5.1 General Requirements for Subcontractors

The Subcontractor shall, at all times, be responsible for the Quality of the Product, article and services supplied.

The Subcontractor shall be fully responsible for the implementation and adherence to these requirements within their company.

The Subcontractor shall be responsible for the effective control of any products and/or services that are subcontracted to sub-tier subcontractors and shall ensure LH Quality requirements are flowed down contractually as applicable.

The Subcontractor shall be responsible for retaining suitable objective evidence that the article and/or services contracted fully conform to the requirements of the LH
Contract/Purchase Order or drawing in order to provide full traceability of all relevant production/inspection documentation. Such objective evidence shall be made available to LH representatives upon request.

The Subcontractor shall be responsible for ensuring that they are working to the latest issue of this document and that any change affecting the subcontractor shall be adequately covered.

In addition, where a new Quality Management System has been introduced as a result of a company merger/take over or relocation, the subcontractor shall ensure that existing controls remain in place to fully satisfy these requirements.

In case of relocation the subcontractor shall inform LH Supplier Quality Assurance well in advance to the relocation period explaining how the relocation is managed concerning in specific times, revalidation of products, buffer stocks etc.

LH shall reserve the right to monitor (e.g. perform audits, etc.) on all aspects of a Subcontractor’s controls applicable to these requirements.

### 5.2 Subcontracting of Parts to Sub Tier Subcontractors not approved by LH

Sub-tier subcontracting to not approved by LH suppliers is permitted only for non-critical/non vital parts for partial manufacture, provided sufficient planning and inspection is carried out and documented by the prime Subcontractor to demonstrate full compliance to the drawing, applicable specifications and any other additional requirements as defined in the LH Contract, Purchase Order or drawing.

The prime Subcontractor shall ensure that where the subcontracting of parts for partial manufacture takes place, the sub-tier subcontractor is fully approved and surveyed by the prime subcontractor’s supplier quality organization and are listed on their Approved Supplier List. The sub-tier subcontractor’s approval shall be consistent to the scope of the subcontracted work.

Sub-tier subcontracted suppliers cannot further subcontract their activity.

The prime Subcontractor’s supplier quality organization shall have the authority to disapprove, from their Approved Supplier List, any sub-tier subcontractor which does not meet their, or LH’s, quality requirements for subcontractors.

**In no circumstances shall the Sub-tier Subcontractor procure raw material and standard parts or offload Special Processes.**

For sub-tier subcontracting of parts and/or services procured by LH, the following criteria shall be considered:

- Constraints
  
  Applicable technical data (Technical drawing; Tables, Specs, etc.) as defined by the LH Purchase Order/Contract
• Selection of the provisioning source
  The Prime Subcontractor must ensure that his potential sub-tier subcontractor is approved for:
  - System
  - Production type
  - Process and Personnel in relation to the product to be procured.

• Contracting documents
  The Prime Subcontractor must ensure that all Contracting documents provided to the sub-tier subcontractor flow down the applicable quality requirements (including those from LH).

• Management of the technical / manufacturing documents
  The Prime Subcontractor shall maintain control of all relevant documents in regard to its sub-tier subcontractor.

• Quality Plan
  The Prime Subcontractor shall update the Quality Plan listing the main sub-tier subcontractors and enclosing the subcontractor Quality Plan duly approved.

• Relation with the Government Sources (Military-Civil)
  When the Supplies has to be submitted to Government Source Inspection (Military/Civil), the Prime Subcontractor must ensure free access to its sub-tier Subcontractor Plant.

• Serializing
  When a part/assembly is required to be serialized, the Prime Subcontractor shall transfer the serialization criteria as assigned from LH, to its sub-tier Subcontractor. The Prime subcontractor shall maintain serial number records and ensure traceability of the serial numbers through manufacture.

5.3 Subcontracting of Critical/Vital Parts

Subcontracting of Critical/Vital Parts or Assemblies is not permitted, without a formal approval by LH.

The sub-contractor’s (and any sub-tier’s) manufacturing data shall be approved by the relevant LH Production Organization Authority (Manufacturing Engineering) prior to manufacture.

All changes to a sub-contractor’s (and any sub-tier’s) manufacturing data shall be approved by the LH Manufacturing Engineering of prior to change implementation.

This shall include:

• modification of: plant, raw material, critical operation, special process, numerical control program, special tools, particular part of a tool (for tools for forming foundry, for example, a change of the scheme of casting and feeding)
• Change or new lay-out of the production site.
5.4 Subcontracting of LH Special Processes

Subcontracting of Special Processes for an LH part shall be restricted to a subcontractor that has been formally approved by LH for the relevant Special Process.

The approved subcontractor must hold a valid LH DQP for the Special Process that has to be performed.

Processes that require DQP certification are defined by QRS-104.

All approved special processes held by subcontractors are accessible to all LH approved subcontractors in the dedicated LH Website page updated once every three months.

Use of any Subcontractor included within LH approved list database does not relieve the prime Subcontractor of their responsibility to ensure that the service provided conforms to the relevant requirements. It is also the Subcontractor’s responsibility to ensure that the sub-tier supplier has the relevant scope of approval at the location where the work is to be performed and a valid process DQP.

All sub-tier subcontract special process work in furtherance of an LH Contract or Purchase Order shall be in accordance with the requirements of LH contracting documents. The parts shall be released from the sub-tier special process supplier correctly certified on release documentation and all documents relating to the subcontract special process work shall be made readily available to LH representatives on request.

5.5 Procurement of Raw Material

Only LH approved suppliers with a valid approval in the category “subcontractor” are allowed to directly procure raw material.

Any Subcontractor procuring raw material (excluding Castings and Forgings, which are not considered raw materials) in furtherance of an LH Contract or Purchase Order for an LH subcontracted part shall adhere to the following requirements:

5.5.1 Material Selection

Procured Material shall be one of the following:

- The material defined on the drawing or specifications.
- An alternative material specification formally authorized by LH.

5.5.2 Source Selection

Subcontractors can only purchase articles/raw material in accordance with the requirement stated in QRS-01 “Quality Requirements for Suppliers” paragraph 10.2.
All approved LH suppliers (for raw material manufacturer and stockists) are listed in the LH Website.

5.5.3 Purchase Orders

The Subcontractor’s Purchase Order for raw material *shall* include, according to the applicability, the following:

- Material description including product form, specification and issue and any test specifications or technique sheets applicable.
- Heat treatment condition and any other conditions required (e.g. bright bar, etc.).
- Temporary protective treatments and packaging requirements.
- Release/Certification requirements including source certificates and any applicable test results (chemical analysis, mechanical certification, etc.).
- Any applicable dimensional requirements.
- Reference to QRS-01 requirements.

5.5.4 On-Receipt Inspection

The Subcontractor *shall* hold current issues of all relevant material specifications.

On receipt of material the subcontractor *shall*:

- Verify that the material is originated from a supplier listed in LH Website.
- Following acceptance, the material will be placed in a bonded store designated for aerospace raw material.
- Ensure that all material is fully or correctly identified in accordance with applicable specification requirements and as defined on the Purchase Order, release certification and source documentation.
- Identification and segregation shall be against the cast/lot/heat number.
- Ensure traceability is maintained between the Purchase Order and the raw material.
- Check all documentation to verify that chemical analysis and mechanical test results are within specification requirements.
- Check documentation against Purchase Order requirements and where applicable, the manufacturer’s recommendations to verify heat treatments are included.
- Unacceptable material shall be rejected and returned to the subcontractor. All rejections shall be reported to LH Materials Laboratory or CoE as applicable.

5.5.5 On-Receipt Testing

On receipt of raw material the subcontractor *shall*:
• When deemed necessary the subcontractor shall test the material to ensure integrity of supply is maintained. Where on-receipt testing is not carried out, acceptance of the material is at the subcontractor’s own risk.

• All testing shall be carried out by a nationally approved organization or an LH Materials Laboratory or CoE approved laboratory.

• Unacceptable material shall be rejected and returned to the sub-tier supplier. All rejections shall be reported to LH Materials Laboratory or CoE.

• If all receipt checks are satisfactory the release document shall be stamped as acceptable.

• Purchases of S144, S145 shall be independently tested to the requirements of LIS6029.

• Purchases of S80 shall be independently tested for impact to material specification requirements.

5.5.6 Material Storage

Raw material shall be held in a bonded store designated for aerospace material only with all reasonable measures shall be taken to ensure that the material is stored in suitable conditions to prevent its deterioration in any way. Material shall be identified and traceable at all times.

Material procured in furtherance of an LH Purchase Order, which is not correct to the Purchase Order requirements or, pending the outcome of testing or inspection, shall be placed in quarantine until outstanding actions are cleared.

5.5.7 Use of Existing Stores Material

If the subcontractor wishes to use existing stores metallic raw material for LH work, this is permitted provided that control of the material can be shown to fully comply with the requirements specified in this procedure. The subcontractor must be able to demonstrate that the material was procured through LH approved manufacturers or stockists and that the raw material satisfies the latest applicable specification requirements.

5.5.8 Quality Records for Raw Material

• All original documentation and test results pertaining to material controlled under this procedure shall be retained in accordance with the procedure QRS-112.

• Manufacturing records shall provide material traceability for all components within an assembly and shall allow traceability of all components made from a particular cast/lot/heat number.

5.5.9 Delivery Documentation

The Certificate of Conformity for all products supplied to LH shall quote a reference which provides full metallic raw material traceability.
5.6 General Requirements for Stockists of Raw Material

5.6.1 Requirements for Stockists of Raw Materials

The approved stockist shall be responsible for the following:

- Ensuring that all raw material supplied to either LH or LH approved Subcontractors, is manufactured by approved LH sources as listed in the LH Website database. Full traceability and identification shall be maintained at all times.
- Ensuring that any raw material supplied to LH or LH approved Subcontractors where intermediary stockists are involved is fully traceable and identified. LH approval of Intermediary stockists is not required, however, the material must be manufactured by approved sources listed in the LH Website.

5.7 General Requirements for Stockists of International/Industries Standard Parts

5.7.1 Quality Responsibilities

The Stockist shall, at all times, be responsible for the Quality of the Product, article and services supplied.

The Stockist shall be fully responsible for the implementation and adherence to these requirements within their company.

The Stockist shall ensure LH Quality/PO requirements are flowed down contractually.

When purchasing, the stockist shall:

- can only purchase standard parts in accordance with the requirement stated in QRS-01 “Quality Requirements for Suppliers” paragraph 11.1.
- Ensure the article is checked against the specifications on receipt and records are kept.
- Ensure alternative parts are not delivered without prior written approval from LH.
- Ensure the OEM’s CoC (stating conformity to the drawing / specification / standard) is attached and referred to into the Stockist CoC (stating conformity to the LH purchase order).
- Procure a LH standard only from the sources defined in the LH specification.

5.7.1.1 Traceability

The Stockist shall be responsible for retaining suitable objective evidence that the product and/or services contracted fully conform to the requirements of the LH Contract/Purchase Order or drawing in order to provide full traceability of all relevant production/inspection documentation. Such objective evidence shall be made available to LH representatives upon request.
5.7.1.2 Configuration Control

The Stockist shall be responsible for ensuring that they are working to the latest issue of any standard part document and that any change affecting the product source shall be adequately covered.

5.7.1.3 Right of Access

LH shall reserve the right to monitor (e.g. perform audits etc) on all aspects of a Stockist’s controls applicable to these requirements, both at the stockist and manufacturing sources.

5.8 General Requirements for Purchasing of Ground Support Equipment (GSE)

- Raw Material *shall* be as required by drawing, and *may* be procured from commercial sources. A CoC is required.
- Procure standard parts, adhesives and fasteners from sources approved by the Supplier and shall be supported with a CoC.
- Proof load testing of GSE is to be completed by companies approved to National and International Standards for the applicable testing. A “Certificate of Test and Examination” in accordance with Governments statutes *shall* be supplied to certify each article.