

10. Scope

1.1 This document details the requirements to be satisfied by external providers to B-Tech Engineering Limited. B-Tech Engineering requires that each external provider must comply with the quality requirements set forth within this document and to maintain a Quality Management System that ensures materials, goods and services comply with all our specified requirements.

1.2 These contract requirements are additional to the details on our Purchase Order (which focus on product quantity, logistics, part descriptions, special references, etc.).

2.0 Purpose

2.1 To establish and confirm an external providers Quality Assurance requirement for B-Tech Engineering for organisations supplying materials, goods and services that have a direct impact on the specification and or performance of a B-Tech Engineering product.

3.0 Contents

- 1.0 Scope
- 2.0 Purpose
- 3.0 Contents
- 4.0 Related Documents/Terminology
- 5.0 Approval Requirements
- 6.0 General
- 7.0 Business Quality Improvement Objectives
- 8.0 Organisation
- 9.0 Purchase Order/Documentation Issue Control
- 10.0 Procurement of Components
- 11.0 Control of Non-Conforming Material
- 12.0 Rejections after Delivery
- 13.0 External Provider Monitoring
- 14.0 Records & Archives
- 15.0 External Provider Quality Requirements (Certificate of Conformance)
- 16.0 Source Inspection
- 17.0 Concessions/Permits
- 18.0 Corrective Actions
- 19.0 External Special Process Providers
- 20.0 Counterfeit, Fraudulent and Suspect Items (CFSI)
- 21.0 Anti-Bribery and Corruption, Modern Slavery and Product Safety
- 22.0 REACH Compliance

4.0 Related Documents/Terminology

The following documents are internal to B-Tech Engineering and may be available upon request:

- QP08 Purchasing and External provider Assessment (latest Issue)
- QF10 External provider Questionnaire (Latest Issue)

5.0 Approval Requirements

5.1 External providers shall as the terms so require, supply, release and deliver all products in accordance with the Purchase Order and all requirements identified therein.

5.1.1 B-Tech Engineering requires its external providers and their direct and sub-tier external providers to be certified against EN AS 9100 and or EN AS 9120 (current issue) when contracted for Aerospace / Defence work (as this is an EN AS 9100 and or EN AS 9120 customer contract requirement).

5.1.2 When contracted for commercial (non-Aerospace / Defence) work the external providers must be certified against ISO 9001:2008 as a minimum for product manufacture and or supply. If a test and or calibration laboratory, the external provider must be ISO9001 certified as a minimum or ISO 17025 accredited by UKAS and all calibration activities shall be traceable to national and or international standards.

5.1.3 External providers that do not comply with the above may be used by B-Tech Engineering, provided the external providers have been assessed and approved as per B-Tech Engineering QP08 Purchasing and external provider assessment quality procedure (latest issue) and has been formally approved by B-Tech Engineering management.

5.1.4 External providers that do not have quality management system in place will need to be assessed and approved as per B-Tech Engineering QP08 Purchasing and external provider assessment quality procedure (latest issue) based on their capabilities and completion of the QF10 External provider Questionnaire (latest issue) and have been formally approved by B-Tech Engineering management.

5.2 All products shall be supplied strictly in accordance with the purchase order (and technical specification provided). The delivery of incomplete product / shortages is not permissible unless specified on the purchase order or by written authority of B-Tech Engineering.

5.4 When the external provider is manufacturing a product on behalf of B-Tech Engineering, the external provider may only use External Special Process Providers who are B-Tech Engineering approved.

5.4.1 A complete list of B-Tech Engineering approved External Process External providers can be supplied on request.

5.5 Documentation and data supplied by material stockists / manufactures / mills with the purchased item, shall ensure that full traceability of the purchased item is maintained, confirming that the purchased item conforms to specification and was actually produced by the designated manufacturer (objectively).

5.6 In the event that an external provider has its approval against AS9100, AS9120 and / or ISO9001 removed the external provider must immediately inform B-Tech Engineering in writing stating the reason / status of withdrawal.

6.0 General

6.1 Enquiries concerning the content of this document and other referenced documents, or requests for additional copies should be referred to the purchasing representative responsible for the Purchase Order within B-Tech Engineering.

6.2 The requirements of this document and of B-Tech Engineering procedure QP08 Purchasing and External provider Assessment will be used to provide both existing and potential external providers with visibility of the current Quality and Standard requirements and expectations of B-Tech Engineering contracts.

6.3 It is the policy of B-Tech Engineering to manufacture and supply products and services, which result in, or contribute to, safe conditions for its customers and the end-users of such products and services. In furtherance of this policy, external providers shall establish controls and procedures that ensure that the attention necessary for the achievement of this objective is objectively provided throughout the production in support of their products.

6.4 External providers are required to comply in full of the contents of this document. If an external provider cannot comply with any portion of this document, then the external provider must advise B-Tech Engineering in writing.

6.4.1 B-Tech Engineering will review the external provider request and advise the external provider of the results in writing. The external provider is responsible for keeping all related documentation on file at their facility. No deviation from this document is acceptable in advance of formal agreement to do so in writing from B-Tech Engineering. Such formal agreement must be retained by the external provider.

6.5 Verbal agreements are un-acceptable.

6.6 External providers shall maintain B-Tech Engineering specifications and other Standards at the latest issue and shall review the issue status of specifications on receipt of a Purchase Order and or at least once within a six-month period (particularly for repeat contracts).

7.0 Business Quality Improvement Objectives

7.1 All external providers are expected to have plans to achieve Business (Quality) improvements as part of their continuous improvement programme.

7.2 B-Tech Engineering is dedicated to continuous improvement in the quality and integrity of its services and to the satisfaction of its customer requirements and expectations. External provider's contribution to this approach through the quality and reliability of their products and services is a prerequisite.

7.3 Each external provider shall demonstrate continuous improvement based on pro-active loss prevention, root cause analysis and effective timely corrective action.

8.0 Organisation

8.1 Any change to the management representative responsible for Quality Management System and /or Inspection within the external providers organization (or group ownership) shall be communicated to B-Tech Engineering. Changes to premises shall be notified sufficiently in advance to B-Tech Engineering.

9.0 Purchase Order / Documentation Issue Control

9.1 Purchase Order amendments shall be subject to review by B-Tech Engineering prior to acceptance. The review shall ensure that copies of all processes and specifications quoted within a Purchase Orders are available, and that, where an external provider is unable to carry out any operations, B-Tech Engineering approved sub-contractors may be identified.

9.2 Where an external provider has more than one site, every site used to produce product reshipment direct to B-Tech Engineering must have B-Tech Engineering approval as per QP08 Purchasing and Supplier Assessment.

9.3 B-Tech Engineering shall be afforded the right of entry to verify at source and / or upon receipt that purchased product conforms in all respects to specified requirements. This action shall not absolve the external provider of the responsibility for the quality of the delivered product nor preclude its subsequent rejection should other quality issues arise at a later date / time.

9.4 Where the use of a sub-contractor is permitted, the identification and selection shall form a part of the initial contract review. External providers may consider / use a sub-contractor suitable given the following circumstances: *The sub-contractor is currently approved by B-Tech Engineering.*

9.5 External providers are responsible for ensuring the flow down of applicable sections of B-Tech Engineering documentation reference numbers and related specifications to second tier external providers.

9.6 External providers must reference B-Tech Engineering documentation reference numbers on all Purchase Orders issued in support of activity for B-Tech Engineering (referring their external providers to the B-Tech Engineering website for the latest version of documentation).

10.0 Procurement of Components

10.1 Failure of components can have major effects on airworthiness, safety, reliability, operational integrity – with related cost impact. All parts are therefore termed “controlled” and should be treated as such (bonding requirements may be appropriate and / or necessary).

10.2 Any component, which is sourced, and has the manufacturer identified on the Bill of Material (BOM) may only be purchased from that external provider or their approved agent. External providers must not source parts from nonapproved sources (original manufacturing external providers only).

10.3 Where an external provider wishes to change the source of a component, the external provider shall request permission to make the change from B-Tech Engineering.

NOTE: Identification of an external provider on a controlled BOM does not automatically approve them for use. It is the external providers responsibility to check that any sub-contractor is correctly approved prior to use (objective evidence or audit purposes is required).

11.0 Control of Non-Conforming Material

11.1 The external provider shall have no discretionary power to deviate from the specification requirements as detailed with Purchase Order (and supporting documentation). Concessions will only be accepted on receipt from the external provider of a full “root cause analysis” report detailing the issues and evidence of preventative action. Parts subject to concession must not be delivered to B-Tech Engineering until a concession has been approved.

Note: Concessions are normally only issued to external providers when a product is nonconforming, and the non-conformance does not affect fit, form or functionality.

11.2 No rework shall be permitted on identified nonconforming product without written approval from B-Tech Engineering. Manufacturing records shall clearly record the operation and the results achieved, should re-working under a concession be approved.

11.3 Where the external provider has any reason to suspect non-conformance of any delivered product, then the external provider must immediately notify B-Tech Engineering.

11.4 Scrapped (or non-conforming) components must be physically damaged beyond repair prior to actual disposal (to prevent mixing with conforming product of the same / similar type / model). The B-Tech Engineering management representatives (or their customer) may require a report from the external providers and / or witness by inspection and of process of damage and / or disposal.

12.0 Rejections after Delivery

12.1 The external provider shall be notified of nonconforming supplies found after delivery. B-Tech Engineering will contact the external provider and issue an SNCR against the parts prior to return.

12.2 Following receipt of an SNCR notification the external provider shall take immediate containment action. The action shall include 100% inspection of all external provider stock or work in progress. This containment action shall be taken within 48 hours of notification from B-Tech Engineering. The external providers shall provide within 14 days results of an investigation into the root cause of the problem and provide corrective action to prevent recurrence. The findings, corrective action and effective date shall be reported to B-Tech Engineering.

13.0 External Providers Monitoring

13.1 All external providers shall monitor the quality and delivery performance of products delivered to B-Tech Engineering. In addition, each external providers’ quality and delivery performance is continually monitored by B-Tech Engineering. An external provider whose performance does not achieve and maintain an acceptable level shall be formally notified of their external providers status and maybe required to implement improvement actions accordingly. Failure to improve or respond positively to a B-Tech Engineering SNCR will result in the withdrawal of external provider approval by B-Tech Engineering.

13.2 External providers performance will be internally monitored, and external provider’s performance report will be communicated on a quarterly basis.

13.3 Scorecard will include the external providers on time delivery performance and quality issues if any have been raised in the specified period.

14.0 Records & Archives

14.1 All (Quality Management System) records held by external providers shall be legible and identifiable to the product involved. Records shall be stored and maintained in such a way that they are readily retrievable in facilities that provide a suitable environment to minimise deterioration or damage and to prevent loss. External providers are responsible for ensuring scanned copies of records are legible and of acceptable resolution. Records shall be available for evaluation by B-Tech Engineering staff until such time as B-Tech Engineering authorise disposal in writing.

14.2 Documentation and records applicable to B-Tech Engineering shall not be amended with correction fluid. A single linked line shall delete any revisions and/or correction of errors and will be accompanied by an initial and date.

14.3 Should an external provider cease trading with B-Tech Engineering, quality records shall still be maintained until disposal is authorised by B-Tech Engineering. If the external provider ceases trading completely, or is unable to maintain the records, B-Tech Engineering must be informed so that alternate arrangements can be made to store the records.

14.4 All records shall be retained by the external providers for an indefinite period unless otherwise agreed with B-Tech Engineering.

15.0 Certificate of Conformance

A Certificate of Conformity (C of C), shall include sufficient information to enable it to be correlated to the supplies and must accompany supplies submitted / provided to B-Tech Engineering. Certificates and supporting documentation will be identified by Purchase Order / Contract number and shall include the following information:

The Certificate shall include a statement of conformity individually signed by an authorised signatory of the external provider and shall be as stated below or similar, subject to agreement by B-Tech Engineering.

“We (name of the external provider) hereby confirm that the whole of the supplies detailed herein have been manufactured, inspected and tested and conform in all technical and integrity respects with the requirements of the contract order/specification.

*(Signed by authorised ** person from the external provider)”*

Note: ** The external providers shall be able to demonstrate to the satisfaction of B-Tech Engineering that the nominated authorised signatory has controlled usage of the authority (with the technical competence demonstrated by qualification and experience supported by validated CV claims). Where the external provider utilises an automated system for generation and / or authorisation of certificates / records, then those systems shall be subject to robust management and security controls approved by B-Tech Engineering to protect the integrity of the certification process.

The external provider shall ensure completion of all requirements of the purchase order prior to delivery including all processes. Deliveries of goods that do not fulfil the purchase order requirements will not be accepted. The external provider is responsible for providing a C of C that confirms that the products, processes, and/or services furnished meet the requirements of each shipment, of the B-Tech Engineering Purchase Order. The C of C must have at a minimum the following:

- Consignees name and address
- Consignors name and address
- Reference number and date of the certificate
- Description and quantity of supplies
- Related specification or drawing numbers and issue (as appropriate)
- Identification marks and serial numbers(as appropriate)
- Manufacturing lot no. or traceability reference(works order / batch number)
- Any limitations/Shelf Life Expiry dates (as appropriate)
- Signature(s) of ** approval (for inspection /release)

When the purchase order and / or applicable documents do not specify a method of packaging and preservation, it is the external providers responsibility to assure that product is preserve and packed using methods and materials that will assure that it is delivered damage free to B-Tech Engineering.

15.1 Packaging:

The method of packaging must:

- Prevent damage or deterioration in transit
- Permit safe handling
- Assure that all necessary warnings are completely visible
- Assure the shipping address, external provider name, qty, and part number are visible.
- Assure that the packing list, quality documents, and other important information is enclosed, or securely fastened.

15.2 First Article Inspection Report (FAIR)

15.2.1 When a FAIR is required with the goods to demonstrate compliance with all the procurement specifications detailed in the design package the following must apply: First Article Inspection Reports shall be in accordance with AS 9102 (latest revision).

15.2.2 A copy of the FAIR shall be supplied with the product unless otherwise stated. The external provider shall retain the FAIR as a quality record, and they shall not be disposed of without the written permission of B-Tech Engineering. This shall not absolve the external provider of the responsibility for the quality of the delivered product nor preclude its subsequent rejection should other quality issues arise.

15.3 B-Tech Engineering right of access

Any person authorised by B-Tech Engineering, including the Customer or Regulatory Authority, shall not be unreasonably refused permission by the external provider to enter any works, warehouse or other premises under the external provider’s control for the purpose of surveillance or inspection of any tools or materials procured or used for the manufacture of the goods or process of manufacture on the completed goods themselves before dispatched to B-Tech Engineering or their customer.

15.5 Business continuity planning

B-Tech Engineering advises each external providers to have a written business continuity plan to cover disaster recovery and the responsibilities and actions to be taken in the event of an emergency that may affect deliveries to B-Tech Engineering that will bring the external providers on line in the shortest possible time.

15.6 Change Control

Uncontrolled change within the supply chain can cause deficiency escapes into B-Tech Engineering. It is crucial therefore that all change, no matter how trivial it may appear, is assessed for potential risk and then subject to mitigating actions and control.

Changes can occur in three ways:

- 1) Change to the manufacturing location, either within an external provider or between external providers.
- 2) Changes to components.
- 3) Changes within the company's stores department, storage and dispatch method, including machines, people etc.

The control mechanism for these is as follows.

- 1) Changes to the manufacturing location shall be notified to B-Tech Engineering.
- 2) Changes in components shall be raised with the buyer responsible for the purchase order. The buyer shall take the appropriate action within B-Tech Engineering and inform the Customer. The external provider must not progress with any changes to the component without written agreement from B-Tech Engineering.
- 3) Changes within the Company's stores department shall be controlled as follows:
 - All changes to components storage location shall be subject to a documented risk review prior to being carried out.
 - Staff changes within the company's stores department must be fully trained and supervised until the level of competence is assessed and approved as competent.
 - Changes to the stock control computer system, must be documented, risk assessed, audited and checked after changes, for example, new operational software is introduced or updated.

All documentation relating to point 3 must be kept indefinitely and made available to B-Tech Engineering on request in writing with reasonable notice following an SNCR with relation to supply quality problems.

15.7 Traceability

15.7.1 All parts shall be clearly traceable back to the original manufacturer of the parts. Where the external providers have purchased a component or assembly, they shall have a copy of the original manufacturer's certificate of conformance.

15.7.2 All components and assemblies shall be traceable to the original material identification.

15.7.3 The traceability system must facilitate the rapid identification of any part delivered and suspected of being defective. Containment action must be implemented immediately to protect the customer from any defects found that affect quality of the product.

15.7.4 All records in relation to B-Tech Engineering must be kept indefinitely and shall be made available to B-Tech Engineering upon request.

15.8 Special process requirements (Ref. section 19.0 of this document for requirements)

Any external special process provider must be AS9100 or ISO9001 approved or meet the requirements outlined in section 19 of this document. The external provider performing the special process must certify that all applicable requirements have been met.

15.9 Manufacturing & Process Control

15.9.1 Adequate, clean well-maintained facilities shall be provided to enable products to be consistently produced in accordance with the requirements of the B-Tech Engineering order.

15.9.2 External providers shall establish a procedure detailing the general workmanship practices for the prevention of Foreign Object Debris.

15.9.3 External providers must not omit any part of any specification except when defined on the purchase order or covered by a non-conforming report authorised by B-Tech Engineering.

15.9.4 External providers providing Shelf life items shall ensure they are correctly labelled with shelf life expiry and suitably packaged. No shelf life items within 6 months of expiry will be accepted.

15.9.5 All items supplied to B-Tech Engineering must be 100% inspected by the external provider prior to delivery, no sample inspection is permissible without written consent from B-Tech Engineering.

15.9.6 All parts supplied to B-Tech Engineering shall be identified in accordance with the requirements of B-Tech Engineering. External providers shall maintain records to identify the materials used and the manufacturing and processing history of each batch of parts supplied to B-Tech Engineering. A lot number that enables all associated records to be retrieved shall identify each batch.

15.10 Inspection Reports

The external provider is required to maintain and provide upon request all inspection records. The records must be at a minimum based on an established/recognised sampling plan.

16.0 Source Inspection

16.1 Source Inspection will be used by B-Tech Engineering to help develop a new external provider, or an external provider that is having quality issues. Source inspection at an external provider's site will be imposed by a letter issued from B-Tech Engineering to the external provider. In the event B-Tech Engineering imposes source inspection, only B-Tech Engineering can remove or waive source inspection.

16.2 B-Tech Engineering will also use source inspectors to perform in process checks at an external provider, process audits at an external provider, or corrective action development, or follow up. B-Tech Engineering will select a UKAS and / or another approved inspector.

17.0 Concessions / Permits

17.1 If an external providers quality system discovers a non-conformance to the B-Tech Engineering Purchase Order, the external provider may submit a request for a concession to the B-Tech Engineering Buyer.

17.1.1 The external provider can use the table below to determine when a concession is needed.

Option	B-Tech Engineering Approval/Concession Required
*Rework the non-conformance prior to shipment	*Yes
Scrap and re-place	No
**Request to use the product as is	**Yes
**Request to repair the non-conformance	**Yes

*Rework must return the part to full compliance and specification.

**Requests to use as is, or repair a nonconformance, must be processed using the external provider's own concession request form and signed by B-Tech Engineering.

Note: The external provider is not authorised to dispatch items requiring concession until he has been informed of the applicable Concession Number and the external provider has a copy of the approved concession. This Concession Number must appear on his Certificate of Conformity, each time a delivery is made from the batch that has been approved under Concession.

18.0 Corrective Actions

18.1 If B-Tech Engineering performs an external provider audit and finds a non-conformance a request for corrective action will be issued to the external provider. Corrective actions for issues found during an audit will be documented. Before an audit will be closed out all open audit CARs must be answered by the external provider and accepted by B-Tech Engineering.

19.0 External Special Process Provider

19.1 External provider must demonstrate the ability to satisfy all applicable requirements. Failure to satisfy any requirement will prevent B-Tech Engineering from using that external provider. Coded welder status is required when requested.

19.2 External provider of special processes is responsible to undertake all necessary measures and controls in place to ensure compliance with the standards and special processes undertaken to the purchase order.

19.3 External provider is responsible that all their personnel possess the qualifications, professional competence and experience to carry out such services in accordance with Best Industry Practice.

19.4 All special process carried out by the External provider shall be performed by qualified and competent personnel. The degree of their competence shall be identified by the External provider.

19.5 B-Tech Engineering considers the following to be special processes:

- Material heat / other treatments
- Painting / power-coating
- Non-destructive testing (NDT)
- Anodizing / plating

- Welding / soldering / brazing (all)

20. Counterfeit, Fraudulent and Suspect Items (CFSI)

20.1 Operational controls shall be implemented by external providers to B-Tech Engineering to assure the prevention of counterfeit part use and their inclusion in product(s) delivered to B-Tech Engineering in accordance with SAE AS6174.

20.2 External provider agrees and shall ensure that suspected unapproved, unapproved and Counterfeit Goods are not contained in Goods delivered to the purchaser through the implementation of policies that include prevention, detection and risk mitigation methods to protect against the use and supply of suspected unapproved, unapproved and counterfeit parts.

1. In the event where the External provider becomes aware or suspects that it has furnished Counterfeit Parts, it shall immediately notify the purchaser. When requested by the purchaser, the External provider shall provide Authorised External provider documentation that authenticates traceability of the parts to the applicable Authorised External provider.
2. Counterfeit Avoidance and Mitigation It is the external provider's responsibility to ensure that all products supplied to the Buyer are genuine and sourced from reputable markets. Therefore, to this end, Buyer expects the External provider to have a Counterfeit Avoidance and Mitigation policy in place. A copy of this must be made available upon request by Buyer.

21. Anti-Bribery and Corruption, Modern Slavery and Product Safety policies

21.1 As a special requirement, external provider shall implement policies and through training records shall raise external providers' employee's awareness for counterfeit awareness, Anti-Bribery and Corruption and Modern Slavery.

21.2 Anti-Bribery & Corruption, Buyer, strives to ensure that its workforce maintain certain standards of not only responsibility but also respectability. Therefore, to ensure that this extends to the supply base the buyer expects each External provider to have an Anti-Bribery & Corruption policy. A copy of this must be made available upon request by Buyer.

21.3 Modern Slavery & Human Trafficking Policy B-Tech Engineering Limited will not tolerate any form of Modern Slavery or Human Trafficking within or practised by its supply base. As such, B-Tech Engineering Limited expects the External provider to have a Modern Slavery & Human Trafficking Policy in place. A copy of this must be made available upon request to any member of B-Tech Engineering Limited.

21.4 The External provider shall Ensure that persons associated with it or other persons who are involved in any way with this Contract shall, at all times, comply with any applicable anti-bribery legislation including but not limited to the Foreign Corrupt Practices Act and the UK Anti-Bribery Act, as amended and updated from time to time. The External provider shall fully cooperate with any ethics and compliance investigation, specifically including the review of External provider's emails.

21.5 The External provider should implement product safety policy and communicate the policy within their organisation.

22.0 It is sole responsibility of The External Provider who is supplying chemical to B-Tech Engineering and who are falling under REACH compliance to ensure that products are released and compliant with the REACH regulation.