

# Supplier Quality Requirements

## Q5000

▣ **Scope**

▷ **Special Process**

 <b>Hanwha</b>	<b>SUPPLIER QUALITY ASSURANCE REQUIREMENTS</b>	구 분	SQR
		문서번호	Q5000

Rev. No.	Date	Description	Prepare	Review	Approval
0	2014.10.27	Initial Issue	NI Kim	SW Kim	YH Cho
1	2015.07.17	<p><b>Add Para 4.2.3</b> - Additional Q code requirement of SQR</p> <p><b>Amend Para 4.6</b> - Regulatory's authorities</p> <p><b>Add Para 4.11</b> - Technical data control process of supplier</p> <p><b>Amend Para 4.12</b> - Tool &amp; Fixture control number and grade</p> <p><b>Add Para 4.13</b> - Define the control of the supplier's traveller, planning, Tool/Fixture and CNC/CMM program</p> <p><b>Add Para 4.14</b> - Requirement of record control in English</p> <p><b>Add Para 5.2.4</b> - Requirement of production document approval</p> <p><b>Amend Para 5.3</b> - Additional product control requirement</p> <p><b>Add Para 5.3.5</b> - Define Special process material/product control</p> <p><b>Amend Para 5.4.2</b> - Requirement of non-conforming products</p> <p><b>Add Para 5.4.5</b> - NOE requirements</p> <p><b>Add Para 5.5.3</b> - First Article Inspection Report(FAIR) requirements</p> <p><b>Add Para 5.6.2</b> - Requirements of source inspection</p> <p><b>Add Para 5.6.3</b> - Define product delivery</p> <p><b>Add Para 5.6.4</b> - Exception process of source inspections</p> <p><b>Amend Para 5.7.2</b> - Request for postponement of RCCA submission</p> <p><b>Add Para 5.7.3</b> - Control of overdue submission of RCCA</p> <p><b>Amend Para 5.10</b> - Retention period change : 10 years → 15 years</p> <p><b>Amend &amp; Delete Para 6.1.1, 6.1.2</b> - Consolidated and move to Para 6.1</p>	KH Jung	SW Kim	YH Cho

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## 1. Purpose

This requirements specifies quality assurance requirements for performing special processes that are outsourced to the suppliers of Hanwha Corporation Aerospace Division(hereafter "Hanwha").

## 2. Scope

2.1 This requirements applies to the Suppliers and the subtiers of the suppliers when stated on the contracts or purchase orders.

### 2.2 Relations to other requirements

Suppliers shall meet all the requirements on the contract and are responsible for providing the relevant products and services to Hanwha. If the requirements on the contract do not conform to the this SQAR the priority shall be given to the requirements of the contract.

2.3 If the requirements on this SQAR cannot be met, the suppliers must notify Hanwha and discuss prior to signing the contracts and receiving the purchase orders.

2.4 Suppliers shall refer to the latest revision of this requirements. When the manufacturing cost increases as a result of revision of the requirements, the suppliers must notify Hanwha's purchasing department for discussion.

## 3. Applicable Documentations

### 3.1 Aerospace Standards

3.1.1 AS9100 "Quality Management Systems - Requirements for Aviation, Space and Defence Organizations"

☞ Web site address: <http://www.sae.org/standardsdev/aerospace/hotaero.htm>

3.1.2 AS9102 "Aerospace First Article Inspection Requirement"

☞ Web site address: <http://www.sae.org/standardsdev/aerospace/hotaero.htm>

3.2 KDS0050-9000 "Defense Quality Management System Requirements for ROK Government"

☞ Web site address: <http://www.dtaq.re.kr>

### 3.3 Hanwha Engineering Documentations

Quality and engineering documentations applied on the drawings and specifications of the items found on the contract or purchase order.

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#### 4. General Requirements

4.1 Suppliers shall establish a quality system which meets the requirements stated on this SQAR and get an approval from Hanwha prior to providing the relevant products and services.

##### 4.2 Additional Quality Assurance Requirements

Supplier shall meet the following quality requirements in addition to the quality assurance system specified in this document.

4.2.1 Quality assurance/inspection requirements specified on the drawing and specification of the product.

4.2.2 Quality assurance/inspection requirements stated on the relevant government policy and contract related documents.

##### [4.2.3 Additional quality requirements\(Q0000\) stipulated in the purchase order with Q5000](#)

4.3 Suppliers shall perform inspection on all the products prior to shipping them to Hanwha, and the relevant inspection data package must also be submitted to Hanwha.

4.4 Suppliers shall discuss all the engineering concerns which arise during the production with quality assurance team and manufacturing engineering team of Hanwha prior to starting any operation.

4.5 Hanwha and its customers [or regulatory agencies](#) are authorized to evaluate suitability of the quality management system and the products on the site in order to approve them according to the requirements of the contract.

4.5.1 Suppliers shall provide quality records, equipments, and personnels required for such evaluation and verification.

4.5.2 Suppliers shall not utilize such verification method used by Hanwha as a means of accepting products.

4.6 Suppliers shall ensure that its employees are aware of all the quality assurance requirements and apply them to production of the relevant items.

4.7 Suppliers shall not outsource the items on the purchase order from Hanwha without any prior approval, and any violation to this could result in void of the contract and compensation of any incurred financial loss.

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4.8 Suppliers shall acquire the inspection equipment/gauge required for production and inspection of the products ordered by Hanwha, but under reasonable circumstances Hanwha may provide the necessary equipment/gauge. However, Hanwha will have to verify possession of such equipment/gauge or availability of rental equipment/gauge to be used prior to providing such equipment/gauge.

4.9 Suppliers shall devise a proper means of preventing damage or loss of the inspection equipment/gauge rented from Hanwha. If any damage or loss occurs attributing to the suppliers, the suppliers shall reimburse for such damage/loss at their own cost.

4.10 Prior to beginning production of all the items, the suppliers shall verify validity of the latest revision of drawings on the engineering documentation list provided by Hanwha . If any inconsistency is found, the suppliers shall consult the one who is in charge of supplier management at Hanwha for the latest revision in effect.

4.11 Suppliers shall establish proper procedures to control and comply with all technical and engineering data(including digital data) which are provided by Hanwha and generated by suppliers. Unless otherwise requested by Hanwha, suppliers shall only use the latest and validated revision level, and apply them to each production exactly. If any technical and engineering data related to delivery items need to be changed, suppliers shall inform and discuss with Hanwha in advance.

4.12 Suppliers shall establish a procedure to control tools and fixtures including its numbers and grades. If there is the special tool or fixture, suppliers shall submit its control plan.

4.13 Suppliers shall not change or revise Traveller, Planning, Tool/Fixture and CNC/CMM Programs that provided by Hanwha in any events. If supplier produces Flight Safety Part and Vital Part, supplier shall get an approval on all changes from Hanwha in advance to use each changed item. Furthermore, all records and documents on change process shall be kept properly.

4.14 If Hanwha especially requested based on the program/business, suppliers shall prepare all documents and records in English related to its production activities.

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## 5. Quality Assurance Requirements

### 5.1 Quality Management System Requirements

5.1.1 The suppliers which are affected by this SQAR shall get an approval from a certification body which is registered as a member of IAQG and maintain the certification status by establishing a quality system conforming to the specifications AS9100 quality management system.

☞ Web site address : [https://www.sae.org/?PORTAL\\_CODE=IAQG](https://www.sae.org/?PORTAL_CODE=IAQG)

5.1.2 Suppliers which are approved by Hanwha shall be audited periodically at least once every year. Intervals between each audit can be extended up to three(3) years by evaluating the performance of the suppliers.

### 5.2 Special Process Approval Requirements

5.2.1 Suppliers shall get an approval from Hanwha and Hanwha's customers in order to perform special process operations.

5.2.2 Special process operations which are approved by Hanwha shall be audited periodically at least once every year. Intervals between each audit can be extended up to 3 years by evaluating the performance of the suppliers.

5.2.3 If the special processes are required by Hanwha or other customers, NADCAP (National Aerospace and Defense Contractors Accreditation Program) approval shall be acquired for the relevant processes.

☞ Web site address: <https://www.eauditnet.com/>

5.2.4 Suppliers shall submit production documents (traveller, technical sheet, MQS and routing sheet, etc) to get an approval from Hanwha within 30 days after receipt of purchase orders or 7 days before implementing its production. Where applicable, suppliers shall discuss with Hanwha to use the production documents prior to its approval. Information of the relevant equipments, fixtures, and softwares shall be reflected on these documents, and suppliers shall get an approval from Hanwha in case of production documents revision.

### 5.3 Products and Traceability Control

5.3.1 Suppliers shall establish a procedure to identify and control traceability throughout receiving, storage and overall production process of the raw materials and parts.

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5.3.2 Traceability control of materials and products are to be implemented throughout entire the production process. In any cases, even the mixture of different items and Batches/Lots shall be prevented. Hanwha can request the suppliers to compensate for any financial loss or aircraft accident attributing to mixture of different items and Batches/Lots.

5.3.3 If a traveler is furnished to the supplier along with products, it shall be maintained and controled together with the products throughout the storage, production, and shipment.

5.3.4 Suppliers shall include traceability information in the delivery document package of the products.

5.3.5 Special process and material/product shall be protected from deterioration, corrosion and damage by preventative, dust removing. Therefore suppliers shall establish a procedure to manage material/product. Provided that suppliers shall check special inspection and submit the result to Quality Assurance department if required special attention like weather characteristic.

#### **5.4 Nonconforming Products Control**

5.4.1 When nonconformance is found during a production process, suppliers shall identify, separate, and keep the nonconforming products in a bonded area or MRB crib only for nonconforming materials.

5.4.2 Suppliers shall establish a procedure to control the quarantined products. Where applicable, the root cause analysis and corrective actions shall be taken by suppliers to submit the nonconformance report to get its disposition from Hanwha. (Hanwha SRR form can be used)

5.4.3 It shall be ensured that no products with unapproved non-conformances are shipped to Hanwha.

5.4.4 Suppliers shall identify the scrap product by using engraving tools including part number, Job number and batch number. In addition, suppliers shall record and maintain the scrap list and submit the photograph of them if Hanwha requests.

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#### 5.4.5 NOE (Notification of Escape)

Suppliers shall submit the NOE in writing including following items within 1 business day when any nonconformance is found in their processes or products and it affects products delivered to Hanwha already.

5.4.5.1 Defective processes or operations or products and its description

5.4.5.2 Detail on the defects (Requirement, actual condition, etc)

5.4.5.3 Serial numbers, Lot/Batch numbers

5.4.5.4 Delivered quantities and each date

5.4.5.5 Purchase order numbers or invoice numbers

5.4.5.6 A signature of the representative (Quality Director or CEO) of the supplier

### **5.5 First Article Inspection**

5.5.1 Suppliers shall perform a first article inspection on the items that are put into production process for the first time. Then they should fill out and submit the first article inspection report to Hanwha for approval. These items for which the FAIR is submitted, shall meet the requirements of the purchase order and the drawings.

5.5.2 Suppliers shall put the following batches into production after having the FAIR results verified and mass production plan approved by Hanwha.

5.5.3 Suppliers shall comply with the latest revision of AS9102 during the first production run of each part number. The supplier's procedure of FAI shall be used in lieu of AS9102 after the approval of Hanwha by official documents.

### **5.6 Source Inspection and Support Quality activities**

5.6.1 Hanwha may send its own inspectors to the supplier's facility to carry out source inspections on the purchased products prior to shipment. The Supplier shall provide the necessary access, equipment and resources required to effectively accomplish the source inspection.

5.6.2 Suppliers shall complete their self-inspection, and submit self-inspection result and a source inspection request from 3 business days prior to receiving the source inspection.

5.6.3 Suppliers shall ship only the products which have accepted the source inspections to Hanwha.



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[5.6.4 If suppliers cannot comply with 5.6 clause due to contractual of geographical factors after contract or purchase order review, suppliers shall discuss and mediate those with Hanwha.](#)

### 5.7 Corrective and Preventive Action

5.7.1 Suppliers shall carry out corrective and preventive actions in order to preclude reoccurrence of the same nonconformance and present the proof when requested by Hanwha.

5.7.2 Suppliers shall respond to the corrective action request issued by Hanwha in timely manner before the response due date and send result of the actions taken. [If suppliers need more time to respond officially to Hanwha, suppliers shall submit a formal request in writing to extend the deadline in advance.](#)

[5.7.3 Hanwha can prohibit all deliveries of the supplier until the official response is received and its action is confirmed when the due date is expired over 15 business days without any notice and request.](#)

### 5.8 Personnel Qualification and Certification

5.8.1 Suppliers shall establish a qualification and certification plan which evaluates suitability of the operators on carrying out necessary operations to produce the purchase ordered items on the contract.

Classification	Operations	Remark
Operator	Special Process Operator	if applicable
	Special Process Inspector	

### 5.9 Flight Safety Parts Control

5.9.1 Suppliers shall establish a control plan which meets the requirements for the contracted or purchase ordered items that are illustrated as titles below. Requirements for control of such items are considered as additional quality requirements and thus can be reflected on the purchase order and contract.

- FSP (Flight Safety Parts)
- CSI (Critical Safety Items)
- Vital Parts

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5.9.2 Suppliers shall prepare manufacturing documents for the flight safety parts and have them approved by production engineering team and quality engineering team of Hanwha prior to applying to the production, and these documents shall be classified as "Frozen Process" for control. Manufacturing documents and any documents prepared for the same purpose shall include the following information.

5.9.2.1 Revision History

5.9.2.2 Part Number, Part Number, Drawing No./Rev. No., and Serial Number

5.9.2.3 Identification of "Flight Safety Parts"

5.9.2.4 Material Condition and Traceability Information Such As Required Dimensions and Applied operations

5.9.2.5 Production, Test, Inspection, and Acceptance Status of Each Operation

5.9.2.6 Any operations with critical characteristics shall be illustrated as "Critical Characteristic Process".

5.9.2.7 Information regarding tool, fixture, and program

5.9.2.8 Means of specially packaging, storing, and identifying certain materials

5.9.3 When manufacturing documents for "flight safety part" are revised, suppliers shall have the documents approved by Hanwha in the same process as the initial approval to be applied to the production.

## 5.10 Quality Record Control

5.10.1 Suppliers shall retain quality records for at least [15 years](#) and present the documents to Hanwha within the specified period of time upon its request.

5.10.2 If production is carried out according to manufacturing documents provided by Hanwha, the suppliers shall submit the original paper of the quality record to Hanwha, and its copy shall be retained for a specified period(minimum of 3 years) of time according to the suppliers' internal policy.

## 5.11 Delivery

5.11.1 Suppliers shall devise a means of preventing damage and corrosion of products during their delivery by predicting various circumstances that may affect the conditions of the products.

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5.11.2 The shipping documents that need to be enclosed with the products are as follows.

5.11.2.1 Special Process Report : Special process report shall include following information.

- a) Name of supplier
- b) Part Name/Part No./Traceability Information
- c) Quantity
- d) Relevant Specification for the Special Processes
- e) PASS/FAIL Criteria for Special Process Inspection
- f) Signature of a Certified Special Process Operator

5.11.3 Suppliers shall not deliver any unauthorized copy, substitute and counterfeit products.

## 6. Responsibilities of suppliers

6.1 Suppliers shall report to Hanwha within 1 business day when any cancellation of accreditation on supplier's quality system issued by a 3rd party certificate authority.

6.2 Suppliers shall submit documented future actions for the following changes to Hanwha for discussion.

Classifications	Documents submitted	Hanwha's Action
Change of Business Top Management	Result of Quality Impact Review	Revaluation/Re-approval of Reviewal Result
Change of Quality Representative The Department Head	Result of Quality Impact Review	
Change of Plant Location	Result of Reviewing Impact on Quality System and First Article Inspection Plan	
Change in 4M	Plan to Reconduct First Article Inspection	

## 7. Required Forms and Records

No.	Forms & Records	Document No.	Remark
Attachment 1	Certificate of Conformance (COC)	QC-SQAR-02-A	Forms provided by suppliers can be used
Attachment 2	Supplier Rejection Report (SRR)	QC-SQAR-02-A	
Attachment 3	AS9102 Forms And Supporting Form Instructions	AS9102 FAIR Form 1, 2 and 3	