

AEROSPACE CORP.

100 Corporate Drive
Holtsville, New York 11742

ISO 9001
AS9100
AS9120
Quality System Manual

Controlled

Uncontrolled

Approved By:

DOUGLAS B. DAVIS
President

PAUL S. RABBITT
Director of Quality Assurance

Quality Manual Review Record

Section 0.0
Revision K
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This Quality Manual contains only pages issued by **UFC AEROSPACE CORP.** The Director of Quality Assurance processes all authorized changes, distributes revised pages, and verifies that obsolete pages are withdrawn and destroyed. The master copy of the Quality Manual is maintained by the Director of Quality Assurance and is considered the final authority as to revision status of all sections.

Authorized Signature	Date	Revision	Comments
Peter Dahill	01/06/96	001	Initial Release
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Paul S. Rabbitt	06/29/04	009	Updated
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Approval:



DOUGLAS B. DAVIS
PRESIDENT
UFC AEROSPACE CORP.

5/11/11

DATE

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Reference to Aerospace Standard is noted throughout this document by an "AS" prefix and the corresponding reference number to SAE AS9100. The statements are in bold and italics.

Our Mission:

**UFC's Mission is to be the
most effective integrated supplier
of
Aerospace products and
value added services
in the world.**

Quality Policy

All **UFC AEROSPACE CORP.** employees are committed to meet our customer's expectations. We strive to accomplish this by implementing a program focused toward continuous improvement of products and services, which meet or exceed the requirements and needs of our customers. Dedication to quality in everything we do is the top priority of all **UFC AEROSPACE CORP.** employees. Our goal is to achieve and maintain a reputation of excellence throughout the industry. Quality driven management and employee dedication and commitment enables us to succeed.

DOUGLAS DAVIS
President

PAUL S. RABBITT
Management Representative

DISTRIBUTION LIST

An electronic version of the Quality Manual is available on the public drive of the network server under the Quality Manual Icon. The file is a “read only” file as to preclude any unauthorized changes. Any copy printed from the network shall be considered an “un-controlled copy for review only”. No formal distribution list of the Quality Manual is required.

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1.0 Scope

1.1 General

The policy described in this Quality Manual complies with the requirements of ISO9001, AS9100. It applies to all **UFC AEROSPACE CORP.** employees and is supported and endorsed by upper management and the Chief Executive Officer/President. It is a quality management system used daily, aimed primarily at enhancing customer satisfaction through the effective performance of policies and procedures to achieve continual improvement of the system by focusing on providing material that conforms to customer and applicable regulatory requirements. The accrediting organization (Registrar) and/or other applicable customer or regulatory authorities will be notified within 2 business days (or per contract) when changes to the existing quality system certification occur.

1.2 Exclusions

UFC Aerospace Corp. excludes Product Design from its processes.

2.0 Reference Documents

Standards: ISO9001, AS9100

3.0 Terms and Conditions

Note: The terms used in this manual to describe the supply chain are as follows:



QUALITY MANUAL	QUALITY MANAGEMENT SYSTEM	Section: 4 Revision D Page 1 of 3
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SCOPE: The system described in this section of the Quality Manual complies with the requirements of Clause 4 of ISO9001 and AS9100.

4.1 General Requirements

Documented procedures for implementing ISO9001 and AS9100 are established and referenced throughout this quality manual.

4.2 Documentation Requirements

4.2.1 General

The quality system documentation includes (but is not limited to) the Quality System Manual, Quality Procedures Manual, and documentation required to provide objective evidence of system compliance.

AS 4.2.1.f. All quality related activities are governed by the ISO 9001 Quality System Manual and Quality System Procedures Manual which are readily available for review to supplier personnel who are responsible for ensuring compliance with requirements, and to customer and/or regulatory agency representatives.

4.2.2 Quality Manual

All quality related activities are governed by the ISO 9001, AS9100 Quality System Manual and Quality System Procedures Manual. The quality manual details the scope of the quality management system and identifies any exclusions.

AS 4.4.2.b. The relationship between the requirements of ISO9001, AS9100 and the documented procedures are clearly shown.

4.2.3 Control of Documents

Procedures are written and implemented which describe the method of control for approval and issue of documents. All documents, which affect quality, are reviewed and approved by the Director of Quality Assurance before issue. Controls are established to assure:

- Adequacy and completeness of document.
- Changes, updates, or modifications to documents are reviewed and approved by the same functions, which performed the original review and approval.
- Current issues of documents are identified and available at point of use.

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Control of Documents (cont.)

- Obsolete documents are removed from the point of use or other means established to prevent inadvertent use.
- Documents are legible and identifiable (either electronic or hard copy formats).
- Obsolete documents retained for legal and/or knowledge is suitably identified.
- Procedures are developed for control and distribution of external standards and specifications.

AS4.2.3 UFC Aerospace Corp. shall coordinate document changes with customers and/or regulatory authorities in accordance with contract or regulatory requirements.

4.2.4 Control of Records

All Quality Records are legible and traceable to the product or activity. Records are readily retrievable and stored electronically to prevent deterioration or loss, and when required by contract, made available to the customer. Subcontractor records fall within the scope of this record policy. Retention times are specified in documented procedures.

AS 4.2.4. The documented procedure defines the method for controlling records created by and/or retained by suppliers. These records are available for review by customers and regulatory authorities in accordance with contract or regulatory requirements.

4.2.4.1 Controls include, but are not limited to:

- Written procedures
- Identification method of records
- Method of record collection
- Filing of records
- Method of storage
- Record maintenance
- Record disposition and retention times
- Hard copy and electronic records

4.2.4.2 Records include, but are not limited to:

- Inspection and Test reports
- Contract reviews
- Results of internal audits
- Management reviews
- Corrective action
- Training
- Calibration
- Process control
- Nonconforming material

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4.2.4.3 Record Retention

Record retention times for all Quality System records, Quality Performance records, and Management Review records are a minimum of ten calendar years. Government, regulatory, or customer requirements for other retention periods are not superseded by this quality system.

AS 4.3. Configuration Management

UFC Aerospace Corp. has established and documented a configuration management process appropriate for product distribution.

Reference Documents:

ISO9001, AS9100
QP-120 Document and Data Control Procedure
QP-130 Control of Quality Records

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SCOPE: The system described in this section of the Quality Manual complies with the requirements of Clause 5 of ISO9001, AS9100.

5.1 Management Commitment

Management has defined and established a quality policy and objectives that provide evidence of its commitment to continually improve the effectiveness of its quality system. The policy is understood, maintained, and implemented at all levels of the company's organization where management ensures adequate resources are available. It is focused towards organizational goals and customer as well as statutory and regulatory requirements.

5.2 Customer Focus

A feedback system is developed to measure customer satisfaction and future expectations. The process includes collecting of information and an established frequency for tracking, updating and revising the management plan. All organizational personnel affected are advised of the activities.

5.3 Quality Policy

Top management has defined a quality policy the shows commitment to compliance to customer requirements and continuous improvement. The quality policy of UFC Aerospace Corp. is communicated throughout the organization and is clearly stated in Section 0.4 of this manual.

5.4 Planning

5.4.1 Quality Objectives

Top management has established and defined key quality objectives for relevant functions and levels within the organization. These objectives are measured and reviewed by top management during the management meetings. Current Objectives are:

SALES: Product – Bookings, Billings, Backlog, Margin; Program – Bookings, Billings, Backlog, Margin; Total – Bookings, Billings, Backlog, Margin; Delivery Performance.

INVENTORY: UFC Allocated – Programs, Product; UFC Stocking; Total UFC Inventory; Allied Inventory; Ann Turns/Revenue; Ann Turns/COGS.

OPERATIONS: Late Open Orders Month End; Average % Open “On Time”; Average Items – Received, Inspection, Samples Inspected/Hr.; Average Items Packed/Hr.; Number of – Lines Shipped, Customer Satisfaction, Customer Rejections, Customer Accommodations, Actual Customer Rejections, Items Rejected, Items Over 1 and 3 Days in Expedite, Dollars Per Line; Unallocated Inventory; Previous Unallocated Inventory that Shipped; Inventory Accuracy

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Quality Objectives (cont.)

FINANCE: Bank Reconciliation; Financial Statements; Reconcile A/R to G/L; Reconcile A/P to G/L; All Purchases Matched and Entered; Inventory Reconciled; Average Collection Days; Total Receivables; Uncollectable Receivables - Receivables Over 60 Days; Collectible Receivables – Receivables over 60 days; Receivables Over 90 Days; % of Collectible A/R Over 90 Days; Collection Calls (% of Accounts >60); Total A/P; A/P Over 90; A/P over 60; Close Affiliated Companies’ Books.

5.4.2 Quality Management System Planning

Comprehensive business plans are developed and documented to address long term and short term activities. Tracking, updates, revisions, and reviews are documented. Quality trends relative to operational performance, productivity, efficiency and effectiveness are analyzed using performance data. There is emphasized focus toward solving customer problems and long term planning.

5.5 Responsibility, Authority, and Communication

5.5.1 Responsibility and Authority

The Company President/Chief Executive Officer has ultimate responsibility for the facilities products and services. All managers, supervisors, as well as facility employees, are responsible for the effective implementation of all quality procedures under each of their control.

5.5.2 Management Representative

The Director of Quality Assurance also functions as the facilities Management Representative. Results of activities and improvement opportunities are reported to top management for review. Liaison with external bodies is also the responsibility of the Management Representative. Where no such format is dictated, the Quality System Procedures manual is used to promote awareness of customer requirements.

AS 5.5.2.d The management representative possesses the organizational freedom to resolve quality matters and ensure that the requirements of the ISO9000, AS9100 standards are effectively implemented and maintained.

5.5.3 Internal Communication

Appropriate methods of communication are provided by top management to convey the effectiveness of the quality management system. Performance boards are posted in the facility for review as well as e-mailed files, performance charts distributed during meetings, and information posted in the public drive of the computer network.

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5.6 Management Review

5.6.1 General

Management Review meetings are held twice annually (and may be more often at the discretion of the president - depending on schedule) to monitor and review the effectiveness of the quality system. A review of the management objectives is discussed. Reviews are documented and circulated among the attendees. The Minutes of review meetings are documented and in the possession of the CFO and controller as objective evidence for compliance to the quality system requirements.

5.6.2 Review Input

The information that is provided to management for management review includes, but is not limited to: results of audits, customer feedback, process performance and product conformity, status of corrective actions, follow up actions from previous reviews, changes that could affect the quality management system, and recommendations for improvement.

5.6.3 Review Output

Any decisions and actions that evolve from the management review shall relate to improvement of the effectiveness of the quality management system and its processes, improvement of product related to the customers' requirements, and resource needs.

Reference Documents:

ISO9001, AS9100
QP-360 Management Review

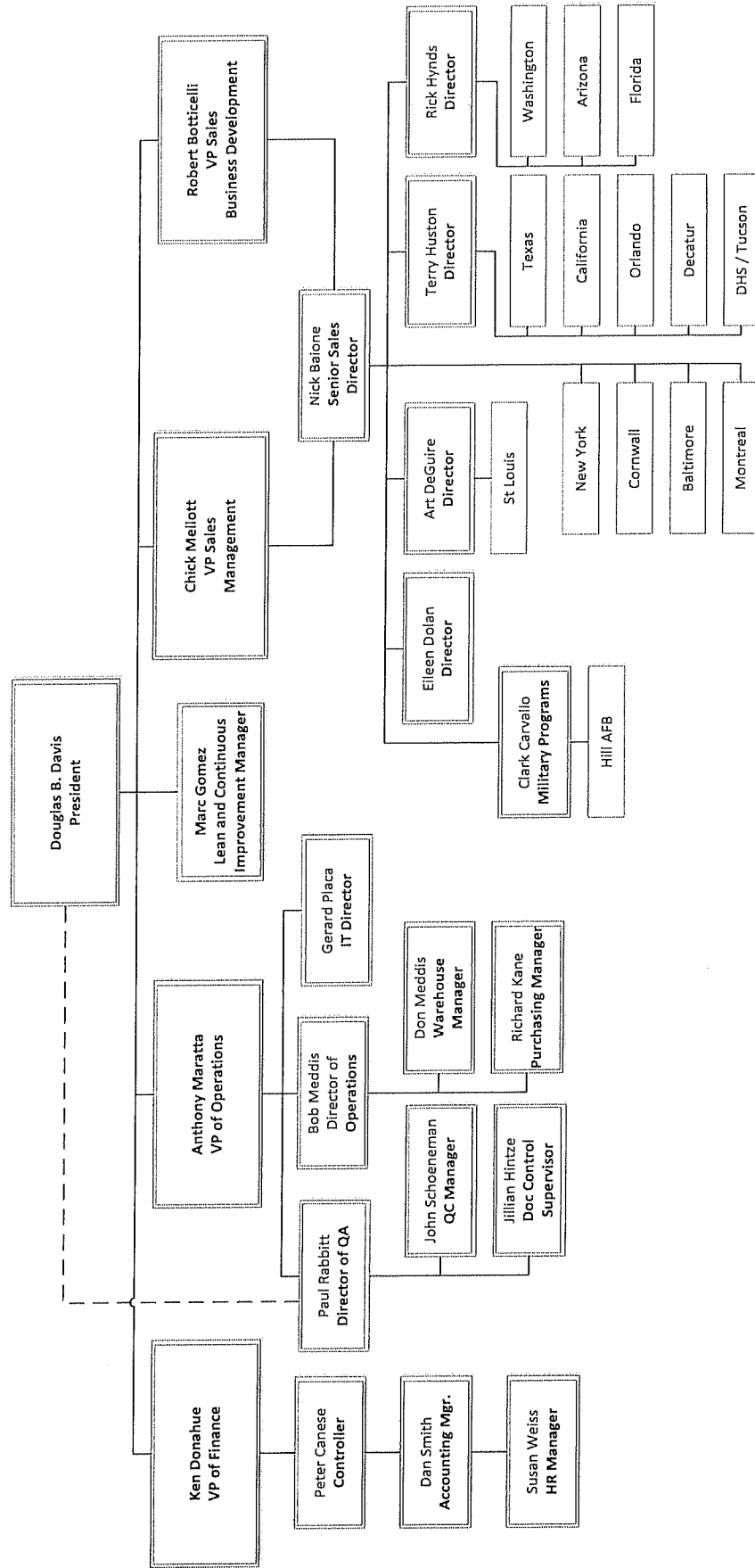
Organization

UFC Aerospace Corp. organization structure is depicted on the following organizational charts in this section of the manual. The interrelations of personnel who manage, perform, and verify work-effecting quality is defined. Sufficient organizational freedom to identify and initiate prevention of nonconformities, quality problems and recommended solutions, effective implementation of solutions, and further processing and delivery of product until solutions are implemented is depicted. Responsibility and authority of each functional group is defined in this document.

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Please see attachment "A"
Management Organization Chart

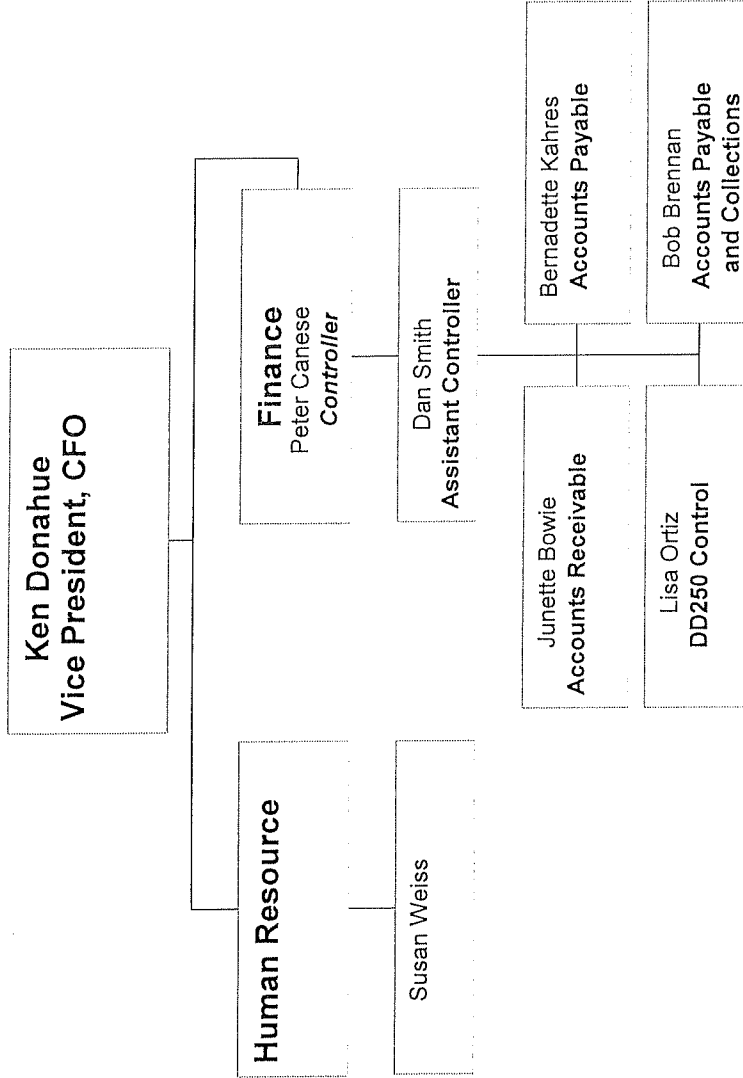
MANAGEMENT



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Please see attachment "B"
Administration / Finance Organization Chart

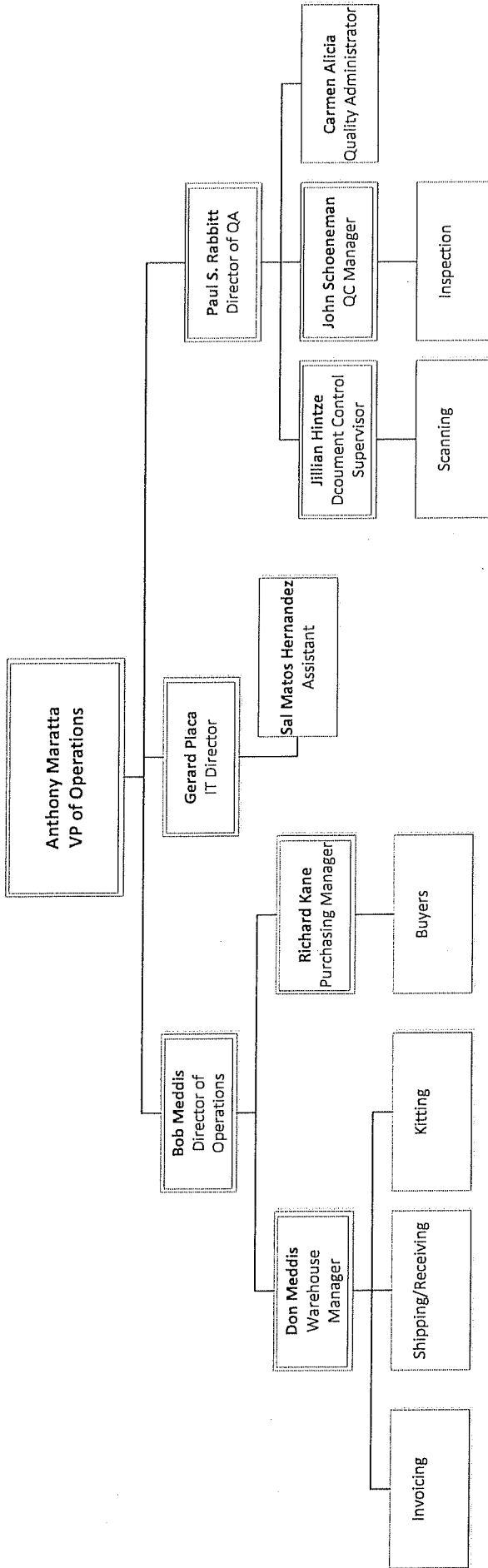
Administration / Finance



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Please see attachment "C"
Operations Organization Chart

OPERATIONS



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Please see attachment "D"
Sales & Marketing Organization Chart

SALES & MARKETING UFC SALES ORGANIZATION

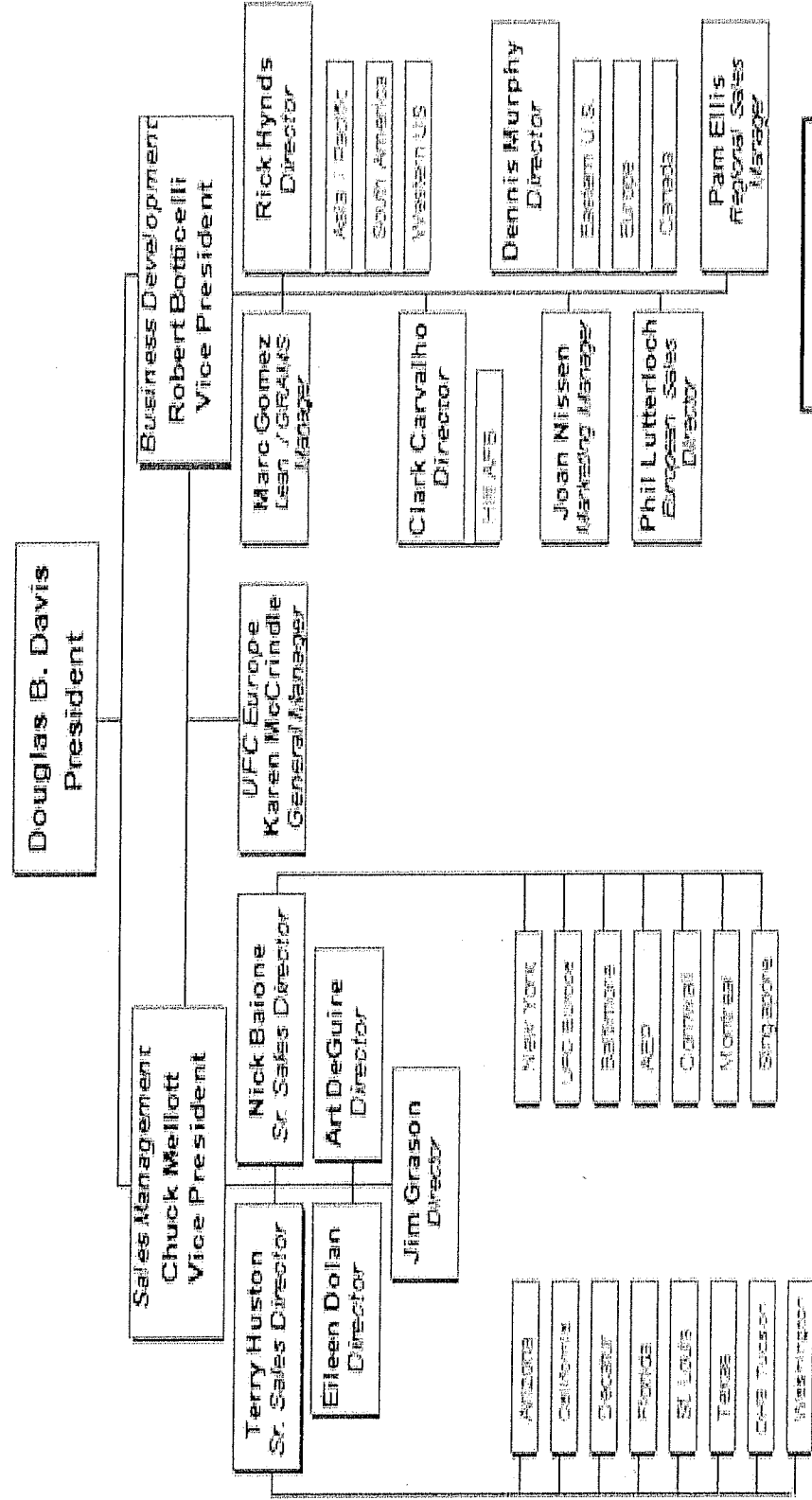


EXHIBIT D

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SCOPE: The system described in this section of the Quality Manual complies with the requirements of Clause 6 of ISO9001, AS9100.

6.1 Provision of Resources

The Chief Executive Officer/President and top management are responsible for providing adequate resources and trained personnel to maintain the quality management system and continually improve its effectiveness and promote customer satisfaction by meeting customer requirements.

6.2 Human Resources

6.2.1 General

Personnel whose work affects product quality shall be competent on the basis of appropriate education, training, skills, and experience. Top management reviews prospective employees for their competency prior to placement within the organization.

6.2.2 Competence, Awareness, and Training

Top management determines competency for personnel performing work affecting product quality. For personnel who require training to improve competency levels, training is conducted, as appropriate, to meet management's requirements. "On the Job" training (usually not documented) is conducted with all UFC Aerospace Corp. personnel whose activities directly affect quality with emphasis on the importance of the accuracy of their activities and how it effects meeting the customers' requirements. Records of training are documented and include, but are not limited to:

- Education
- Training (On the Job, Internal, or External)
- Skills
- Experience

Top management evaluates employee performance continuously. Performance levels are posted in the departmental areas as applicable for all personnel to review.

6.3 Infrastructure

Top Management provides and maintains the infrastructure necessary to verify product conformity to the customers' needs.

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6.4 Work Environment

All Inspection is accomplished under controlled conditions that are needed to achieve conformity of product requirements. Examples of controlled conditions to be employed include, but are not limited to:

- Process control procedures
- Quality plans and procedures
- Suitable maintenance of equipment
- Suitable workspace

Government safety and environmental regulations regarding handling, recycling, eliminating or disposal of hazardous wastes and materials are met. Documentation, where appropriate, is evident. Customer requirements for identifying, documentation, and the control of special characteristics are met.

AS 6.4. Factors that may affect conformity of the product include temperature, humidity, lighting, cleanliness, protection from ESD, etc.

Reference Documents:

ISO9001, AS9100
QP-150 Process Control
QP-270 Training

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SCOPE: The system described in this section of the Quality Manual complies with the requirements of Clause 7 of ISO9001, AS9100.

7.1 Planning of Product Realization

Quality planning activities are documented with due consideration given to quality plans, inspection and testing techniques, suitable equipment, fixtures, resources, and skills needed to achieve quality objectives. Quality plans may be a separate document, or be in the form of reference to the appropriate documented procedures that form an integral part of the quality system. All Inspection is accomplished under controlled conditions. Examples of controlled conditions to be employed include, but are not limited to:

- Process control procedures
- Quality plans and procedures
- Suitable maintenance of tools and equipment
- Workmanship criteria defined

AS 7.1.e. Management has identified the resources required to support the operation and maintenance of the product.

7.2 Customer - Related Processes

7.2.1 Determination of Requirements Related to the Product

Upon receipt, each request for quote is reviewed to assure that the appropriate requirements can be achieved. Reviews ensure that the requirements are adequately defined. The results of these activities are coordinated with the purchaser, as appropriate. Customer requirements for delivery, post delivery, and requirements not specifically stated are a consideration during the quote review process.

7.2.2 Review of Requirements Related to the Product

Upon receipt, each order is reviewed to assure that the appropriate requirements are identified (for internet sales, formal review is not practical). Reviews ensure that the requirements are adequately defined; differences in the tender are resolved before contract acceptance, and that UFC Aerospace Corp. has the capabilities to meet the requirements. The results of these activities are coordinated with the purchaser, as appropriate. Any special customer requirements beyond UFC Aerospace Corp. capabilities are resolved before acknowledgment of the order. Records of contract reviews are maintained in the form of the Sales Order Entry. Customer requirements for delivery, post delivery, and requirements not specifically stated are verified during the contract review process. Contract amendments, with customer's approval, are documented and then transferred to the computer system.

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Review of Requirements Related to the Product (cont.)

These specific amendments are reviewed by the account executives, and copies are faxed to the customer. Records of contract reviews and amendments are maintained in the sales orders in the Inventory Control System (DYMAX).

AS 7.2.2.d. Risks are evaluated (e.g., new technology, lead time, material availability, financial status of customer or vendor) as part of the review.

7.2.3 Customer Communication

Sales representatives are assigned to each customer to provide an effective method of communication regarding product information and contract issues. An annual customer satisfaction survey is performed to provide customer feedback to management review or response.

7.3 Design and Development

UFC Aerospace Corp. excludes Product Design and Development from its processes and provides exclusively to specifications set forth in the customer purchase order. This element is not applicable to UFC Aerospace Corp.

7.4 Purchasing

7.4.1 Purchasing Process

The Director of Purchasing and Account Executives are responsible for procurement of materials and services. The Director of Quality Assurance is responsible for the verification of purchased products, and the selection of subcontractors. If a customer approved subcontractor list is available and a contract requirement, those services are exclusively utilized. Where deviations are necessary, the customer is notified in writing of such instances. Statutory and government regulations pertaining to toxic substances and hazardous materials are complied and adhered to.

In order to be an approved subcontractor, the successful candidate is evaluated for capability. As of 1/28/97, all vendors that are in the computer system were grandfathered onto the Approved Supplier List; this takes into account the history the vendor has with UFC Aerospace Corp. All vendors/suppliers shall be reviewed either through submission of a completed Supplier Quality System Survey or by customer request. UFC quality assurance and/or members of executive management routinely visit our key vendor base to review their procedures, pricing, and lead time issues. The selection of subcontractors and the nature and extent of control and verification are related to the type of materials or services being procured.

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Purchasing Process (cont.)

Assessment activities, where appropriate, occur at specified intervals. Assessments by customers, customer approved second party, or third party registration is a basis for evaluation and approval.

AS 7.4.1. Responsibility for the quality of all products purchased from suppliers, including customer-designated sources remains with UFC Aerospace Corp. in all cases.

A documented system is in place for tracking and monitoring quality performance. Planning information and purchase commitments are communicated to enable subcontractors to perform to acceptable requirements.

AS 7.4.1.a. An approved Vendor list that includes the scope of approval is maintained.

AS 7.4.1.b. Review of subcontractors' performance and demonstrated capability are recorded and maintained.

AS 7.4.1.c. Corrective action plans are implemented and documented when vendor performance is unacceptable.

AS 7.4.1.d. If a customer approved special process source is required, those services are utilized.

AS 7.4.1.e Only the Director of Quality Assurance has the authority to approve and disapprove supplier quality systems.

7.4.2 Purchasing Information

Procurement documents include explicit requirements describing the product ordered. Appropriate requirements may include, but are not limited to:

- Complete description of the material ordered
- Qualification of personnel, equipment or product when specified
- Quality standard to be applied (where applicable)
- *Drawings, specifications, part numbers, or other data which applies (AS 7.4.2.d.)*
- Adequacy of documentation requirements
- *Inspection requirements, if applicable at source (AS 7.4.2.e.)*
- *Special Test and Inspection requirements (AS 7.4.2.f.)*
- Packaging and Shipping requirements
- *Notification of nonconforming product – UFC has no MRB authority (AS 7.4.2.g.)*
- *Notification for change in product or process requiring approval (AS 7.4.2.h)*
- *Right of Entry: UFC Aerospace Corp. shall provide right-of-entry provisions in any subcontract (AS 7.4.2.i)*
- *Flowdown to sub-tier suppliers the applicable requirements in the purchasing documents including key characteristics where applicable (AS 7.4.2.j.)*

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Purchasing Information (cont.)

All procurement documents are reviewed and approved for adequacy before release. The review document is the PO entry in the Inventory Control System.

Right of Entry: UFC Aerospace Corp. shall provide right-of-entry provisions in any subcontract. These provisions shall allow their customer, and regulatory agencies to determine and verify the quality of work, records, and material at any place, including the plant of the subcontractor.

7.4.3 Verification of Purchased Products

When contractually required, UFC Aerospace Corp. facilitates the verification of purchased products by the purchaser or his representative. Should the customer or their representative elect to perform verification of product, such arrangements are made by UFC Aerospace Corp. Government and safety constraints are a consideration and are complied with regarding all restricted, toxic, and hazardous substances. Verification Activities may include:

- *Manufacturer C of C, test reports SPC records (AS 7.4.3.a.)*
- *Inspection and audit at supplier's facility – source inspection (AS 7.4.3.b.)*
- *Documentation review (AS 7.4.3.c.)*
- *Receiving inspection (AS 7.4.3.d.)*
- *Supplier source delegation (AS 7.4.3.e.)*

AS 7.4.3. Material requiring inspection is held from use until inspection is complete. Procedures are in effect to prevent inadvertent use of nonconforming product. UFC Aerospace Corp. and their customer may perform verification at the subcontractors' facility when applicable, and the method of product release is stipulated on purchasing documents. When required by contract, independent testing shall be performed in accordance with the customers' test requirements. Test reports are validated at receiving inspection with independent validation performed on key suppliers at random. In all cases, UFC Aerospace Corp. is responsible for the effective control of quality by the subcontractor and does not preclude rejection by the customer.

7.5 Production and Service Provision

7.5.1 Control of Production and Service Provision

Only Paragraphs 7.5.1.a, b., c., d., e., and f. apply to operations performed at UFC Aerospace Corp. Requirements and processes related to manufacturing do not apply, as UFC AEROSPACE CORP. is a distributor and does not perform any special processes.

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7.5.2 Validation of Processes for Production and Service Provision

UFC Aerospace Corp. excludes Validation of Production and Service Provision, as there are no special processes or servicing of product performed. This element is not applicable to UFC Aerospace Corp.

7.5.3 Identification and Traceability

Where appropriate, there are methods to uniquely identify product during all stages of inspection and delivery. These methods of identification shall exhibit inspection status. Suitable identification methods include, but are not limited to:

- Tags or labels
- Marked containers
- Identification of storage racks
- Color coding
- Lot numbers

One or a combination of the following identifies the status of required Inspections and Tests:

- Markings
- Stamps
- Labels or Tags
- Physical location
- Other suitable means

Records are maintained which identify status and the authority responsible for performing inspections and tests. Any additional identification requirements specified by the customer will be met.

AS 7.5.3. Identification of inspection and test status is maintained throughout inspection and shipping. The known condition is identified to preclude product from being used until the required inspections have been completed. Material is identified with inspection stamps to identify acceptance status after the inspection process. When product traceability is a specified requirement, the measures are in place to trace the product from its destination to the appropriate manufacturer name, manufacturer lot or batch number, and PO number including the associated documentation package. Sequential records of production (manufacture, assembly, inspection) may be requested from the manufacturer.

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7.5.4 Customer Property

All customer-supplied product is examined upon receipt. Observations of damage and/or deterioration are recorded. Verification of materials includes, but is not limited to:

- Shipping damage
- Identification
- Maintenance of Product
- Inspections

The necessary controls are provided to assure that quality is maintained, storage conditions are adequate, and that damage does not occur during handling. Lost or damaged product is documented and reported to the customer. Verification by the customer may be required, however, responsibility is solely that of UFC Aerospace Corp.

The designated Government Property Administrator, in accordance with the applicable Government Property Procedures, maintains government owned property.

AS7.5.4. Customer property can include customer furnished data used for design, production, or inspection.

7.5.5 Preservation of Product

7.5.5.1 Handling

Methods and controls are established to avoid damage or deterioration

7.5.5.2 Storage

Storage areas are defined and secure to prevent damage or deterioration pending delivery. Methods are established to define authorized personnel to receive and dispatch product. Stock items are inspected for deterioration and damage. Other conditions such as cleanliness, housekeeping, etc. are also assessed at this time. An inventory management system is in place, which provides inventory turn over time, appropriate stock rotation, and minimum inventory levels.

7.5.5.3 Packaging

The method of marking, crating, packing and preservation is identified in documented procedures. Responsibility is extended to delivery until such time as UFC Aerospace Corp.'s responsibility ceases. Customer specified packaging and labeling standards are employed, including part-packaging standards.

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7.5.5.4 Preservation

Appropriate methods and procedures are established for preservation and segregation of product when the product is under UFC Aerospace Corp. control.

AS 7.5.5 Preservation of product includes (where applicable in accordance with specifications or regulations) cleaning, prevention, detection and removal of FOD, special handling of sensitive and/or hazardous products, and appropriate marking and labeling including safety warnings.

7.6 Control of Monitoring and Measuring Devices

Documented procedures are in place that describes the controlled conditions exercised for inspection and measuring equipment. The use of personal inspection tools is not permitted. Inspection and measuring equipment used to demonstrate conformance to specified requirements are determined by the Quality Assurance Department and are subject to the following conditions:

- Unique identity
- Calibration status identified
- Calibration frequency identified
- Traceable standards
- Records maintained
- Accuracy defined
- Special environmental conditions identified
- Validity of previous inspections
- Handling, preservation and storage of equipment
- Safeguards from adjustments
- *Calibration is performed in accordance with the equipment manufacturers' requirements (AS 7.6.f.)*

AS 7.6. The process employed by UFC Aerospace Corp. (calibration by an approved calibration lab) defines equipment type, unique identity, location, check frequency, check method and acceptance criteria. Suitable conditions exist for calibrations, inspections, and measurements and test to be carried out.

When results of calibration are unsatisfactory, procedures are established to:

- Assess and document the validity of previous inspections or tests.
- Recall of defective or suspicious product.

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Control of Monitoring and Measuring Devices (cont.)

All measuring and test equipment is stored in a manner to prevent damage or destruction due to handling or environmental conditions. Adjustment safeguards are also established. All records of calibration for measuring & test equipment include:

- Engineering change revisions (as applicable)
- Actual readings as received for calibration or verification

Reference Documents:

ISO9001, AS9100

QP-100 Contract Review

QP-140 Purchase Order Review

QP-150 Process Control

QP-220 Control of Inspection, Measuring and Test Equipment

QP-230 Handling, Storage, Packaging, Preservation, and Delivery

QP-300 Customer Returns

QP-305 Servicing of Customer Complaints

QP-310 Supplier Survey

QP-320 Approved Supplier List

QP-330 Product Identification and Traceability

QP-340 Control of Customer Furnished Material

QP-410 Handling of Government Owned Material

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SCOPE: The system described in this section of the Quality Manual complies with the requirements of Clause 8 of ISO9001, AS9100.

8.1 General

A system of monitoring, measurement, analysis, and improvement processes has been implemented to validate conformity of the product, the quality management system, and identify improvement opportunities. Performance levels measured to help determine needed process improvement include Vendor Performance, Customer Return Percentage, and employee performance. Six Sigma and Lean Principles are utilized where applicable in identifying improvement opportunities. Sampling plans (when applicable) are utilized to perform inspection of customer requirements and are reviewed periodically for sampling plan reduction.

AS 8.1. Statistical techniques may be used for design verification; process control – selection of key characteristics, process measurements, Statistical Process Control (SPC), and design of experiment; inspection – matching sampling plan to criticality of the product and process capability; and failure mode and effect analysis (FEMA).

8.2 Monitoring and Measurement

8.2.1 Customer Satisfaction

Top Management monitors information relating to customer perception with special focus on complaints and quality and delivery performance. Methods of obtaining customer feedback information includes (but is not limited to):

- Customer Report Cards
- Surveillance Audits
- Business reviews directly with the customer representatives
- E-mail and phone correspondences
- UFC Customer Satisfaction Survey responses.

8.2.2 Internal Quality Audits

Audits are scheduled based on status and importance of the activity. Results of all audits are documented and the responsible personnel notified. When required, appropriate corrective action and follow up activities are performed in accordance with documented procedures. Audit results and trends are reported to management. Personnel performing audits are independent from the activity being audited. Auditors are trained and records of their qualifications documented.

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Internal Quality Audits (cont.)

Activities pertaining to internal audits include:

- Preparation of an audit schedule
- Preparation of audit checklists (ref. AS9101 checklist)
- Record of corrective actions and deficiencies
- Recording and reporting results
- Follow up activities

AS 8.2.2. Detailed tools such as checksheets are developed to support audit of the quality management system requirements. The acceptability of the tools are measured against the effectiveness of the internal audit process and overall performance of UFC Aerospace Corp.

8.2.3 Monitoring and Measurement of Process

Monitoring and measurement of the quality management system processes is accomplished by review of audit results, monthly data compiled to determine employee performance metrics, vendor performance metrics, customer return metrics, and customer feedback. Top management reviews the performance data against the established objectives and determines whether corrective action is required. Top management also determines if additions or changes to the data collection and analysis processes are required.

AS 8.2.3. Where process nonconformity exists, UFC Aerospace Corp. takes appropriate action to correct the process, evaluate whether the nonconformity resulted in product nonconformity, and identify the product as nonconforming per clause 8.3.

8.2.4 Monitoring and Measurement of Product

AS 8.2.4 Identified key characteristics are identified and monitored. When sampling inspection is utilized, the plan is statistically valid and appropriate. The plan precludes the acceptance of lots with known nonconformities – accept on 0, reject on 1. Product is held until inspection or verification activities have been completed. Product released under positive recall is held by the customer until completion and verification of inspection activities.

8.2.4.1 Receiving Inspection

Purchased product that will eventually be shipped to a customer is subject to receiving inspection. Product is held until such activities have been completed. Inspections and verification are in accordance with documented procedures. Inspection status of incoming product is maintained. Incoming product quality is verified to customer requirements via inspections, certifications, or

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Receiving Inspection (cont.)

subcontractor test and inspection results, warranties, second or third party assessments. All incoming products are stamped either accept or rejected on an IRR to show the status of the product.

AS 8.2.4.1. Inspection Documentation: Inspection plans identify measurement requirements for product acceptance and are documented. The plans include acceptance and/or rejection criteria, test verification when applicable, record of measurement results, and instruments required for inspection verification. When required, test results show attribute data. Qualification results are on file with the applicable manufacturer.

AS 8.2.4.2 First Article Inspection: UFC Aerospace Corp. provides a process for first article inspection of dimensional requirements when required by customer contract.

8.2.4.2 In Process Inspection and Testing

All products are inspected and required tests are verified in accordance with quality plans, drawings, or other documents to verify conformance to specified requirements. No in-process inspection or testing is performed by UFC Aerospace Corp., as material received is complete and requires no further processes. No product is processed or shipped until all required inspections have been verified. All nonconforming products are identified and processed accordingly.

8.2.4.3 Final Inspection and Testing

Final inspection and testing is carried out on products to verify compliance with the product specifications. These measures apply to purchased products or in existing stock product. Inspections and tests of product are in accordance with documented instructions. No product is released until all required activities have been completed and the results are documented.

8.2.4.4 Inspection and Test Records

Results of all required inspections and tests are documented. Appropriate acceptance criteria is defined and documented. Accept or reject conditions are documented. Records identify the inspection release authority.

8.2.4.5 Urgent Production Purposes

When drop shipments are made to support customer needs, final inspection results shall be sent to the customer. Upon acceptance, the customer shall release the material for use. Upon rejection, the customer shall be notified of the discrepancy immediately, the material is to be segregated by the customer, and reviewed for disposition. Upon disposition, the necessary arrangements shall be made to provide for return to vendor, use as is, rework, scrap, or ship to UFC Aerospace Corp. The Director of Quality Assurance and/or the customer shall determine the need for a Corrective Action.

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8.3 Control of Nonconforming Product

Documented procedures for the control and disposition of nonconforming product are written. Suspect product will be considered nonconforming product. Upon receipt of suspected counterfeit material or falsified certification, UFC will not return material to the suspect vendor. UFC will hold material and advise proper authorities. Controls are established and documented to prevent inadvertent use or installation of nonconforming product. Controls consist of:

- Documenting the nonconformance
- Positive identification
- Evaluating the nonconformance
- Segregation of product
- Disposition of product
- Notification to functions concerned
- Regrading of material is prohibited

AS 8.3. Authority for review and disposition is defined and documented. UFC Aerospace Corp. does not possess any MRB Authority. The review process is in accordance with written procedures to establish:

- *Necessary rework (by the manufacturer only)*
- *Repair methods (to the original customer specified requirements by the manufacturer only, with customer approval)*
- *Return to vendor*
- *Scrap (shall be conspicuously and permanently marked or positively controlled until physically rendered unusable)*
- *Use as is (customer approval required)*
- *Regrading of material is prohibited*

Product reworked by the manufacturer is re-inspected upon return and results documented. Regrading of material is prohibited. Nonconforming product is analyzed for cause of the deficiency when requested by the Director of Quality Assurance. Customer approval is required when the product or process is different from that originally approved, including subcontractor products or services. Records of all changes kept are to include expiration dates, quantity authorized, etc. Compliance with original and superseding specifications is maintained when the customer authorization expires. Shipping containers are marked and identified for each authorization granted.

AS 8.3. When product that has shipped is found to be nonconforming (escape), the customer is notified of the specific nonconformity, material affected, quantity, and dates in writing within twenty-four hours to facilitate the return of the bad product. If applicable, previous production lots are re-inspected and customers, suppliers, internal departments, and regulatory authorities are notified if necessary.

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8.4 Analysis of Data

Data is generated and analyzed for the defined business objectives and reviewed at the management review meetings. Emphasis is placed on customer satisfaction (customer complaints and customer return percentage), conformity to product requirements (supplier performance) and employee performance. The data is compiled and generated in a year to date format on the “Metrics” sheet and is reviewed by top management to identify trends and improvement opportunities.

8.5 Improvement

8.5.1 Continual Improvement

“Plan – Do – Check – Act” methodology is employed. Management review meetings are held quarterly (and may be more often at the discretion of the president - depending on schedule) to monitor and review the effectiveness of the quality system. The information that is provided to management for management review includes, but is not limited to: results of audits, customer feedback, process performance and product conformity, status of preventive and corrective actions, follow up actions from previous reviews, changes that could affect the quality management system, and recommendations for improvement. Any decisions and actions that evolve from the management review shall relate to improvement of the effectiveness of the quality management system and its processes, improvement of product related to the customers’ requirements, and resource needs.

8.5.2 Corrective Action

The Director of Quality Assurance is responsible for determining corrective action measures for supplier performance and returned product. Returned product is analyzed for root cause, correction, and corrective action to prevent recurrence when requested by the customer or the Director of Quality Assurance. Top management identifies and requests corrective actions resulting from management reviews. Problem solving methods for internal and external nonconformities are in place. Customer supplied documents and formats are used for returned material when specified in the contract. Appropriate corrective action is determined by use of documented procedures that define requirements for:

- Reviewing nonconformities (including customer complaints)
- Investigating causes
- Evaluating the need for action to ensure that nonconformities do not recur
- Determining and implementing action needed
- Recording the results of action taken
- Review of action taken
- *Flowdown of corrective action requirement to supplier when it is determined supplier is responsible for root cause (AS 8.5.2.g.)*
- *Timely response and effectivity of actions (AS 8.5.2.h.)*

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8.5.3 Preventive Action

Documented procedures are established to describe those actions taken to eliminate the causes of potential nonconformities. Appropriate preventive action is determined by use of documented procedures that define requirements for:

- Determining potential nonconformities and their causes
- Evaluating the need for action to prevent occurrence of nonconformities
- Determining and implementing action needed
- Recording the results of action taken
- Review of action taken

Reference Documents:

ISO9001, AS9100
QP-150 Process Control
QP-160 Inspection and Test Status
QP-180 Nonconforming Material
QP-190 Corrective Action
QP-195 Preventive Action
QP-250 Quality Audits
QP-280 Receiving Inspection
QP-290 Sampling Inspection