

ARVAN, INC.
FLY WITH THE BEST

ENGINEERING MANUFACTURING
AIRCRAFT CONTROL PULLEYS / CUSTOM MOLDING PRECISION
MACHINING / TERMINAL BLOCKS / AN. MS, NAS HARDWARE

Phone: 310-327-1818/ Fax: 310-324-6634

Procurement Quality Requirements

This document establishes the quality requirements for supplies purchased by ARVAN, Inc. This form is a part of the purchase order. It contains **General Quality Requirements**, which apply to all purchases unless they are specifically excluded. The **Selected Procurement Quality Requirements (PQR's)** apply as shown on the purchase order. ARVAN, Inc. is referred to as ARVAN throughout the remainder of this document.

Section I: General Requirements

- **Responsibility for Conformance** – The seller is responsible for furnishing supplies, which conform to the requirements of the purchase order. Surveillance, inspections, and tests performed by ARVAN, Arvan's customer, or the government do not relieve the seller of this responsibility.
- **Documentation** – ARVAN may refuse to accept delivered items if the seller does not submit the certifications, test data, reports, NDT technique card references, and/or documentation as required in the purchase order. Computer generated documents must include an actual or facsimile signature, or ARVAN must have on file a letter signed by the corporate or company officer. The letter must state the company is using a computerized system, the typed name on the document is an authorized employee, and the contractor is liable for the information it contains.
- **Repairs** – Repairs of damaged or defective items require written approval from ARVAN after formal MRB submittal. You must have written approval from ARVAN prior to repairs being started.
- **Design, Process, Material, or Procedure Changes** – Changes to designs, processes, materials, and/or procedures originally approved or qualified by ARVAN or our customers require written approval. Approval is required before the start of the production cycle in which the changes would take place. The supplier is responsible for flow down of this requirement to all sub tier suppliers.
- **Right of Access** is reserved by Arvan, Inc. and our customer to facilities involved in the order and applicable records. **The FAA may review your facility or products as necessary.**
- **Control of Special Processes** – are customer and/or NADCAP approved.
- **Notification of Facility Change** – Notify the ARVAN buyer immediately of changes to facility location.
- **Nonconformance Report (NCR), (R437 form)** – Nonconforming parts or material require Arvan's **written** approval before shipment. Record any deviations from drawings, specifications, or other requirements, on Arvan's Nonconformance Report (R437). Submit the NCR to the ARVAN Plant or QA Manager. **A copy of the approved NCR form must accompany each affected shipment and be attached to each part/container.** Seller will contact the ARVAN for the NCR, R437 forms.
- **Latent Defect** – Notify the ARVAN Plant or QA Manager of any latent defects for products that were shipped prior to the discovery of the defects. Notification is by use of an ARVAN NCR and a cover letter including product description, shipper number, part number, revision and a corrective action statement.

- **Supplier Corrective/Preventive Action Request (SCPAR)** – ARVAN may request corrective action when a quality problem exists. SCPAR's require complete and timely responses. Coordinate corrective action with the government Quality Assurance Representative assigned to your plant when supplies are government source inspected.
- **Record Retention** – Maintain all documents associated with this purchase order for a minimum of seven (7) years from the close of the purchase order, **unless otherwise specified on the purchase order.**
- **Standard Measuring Equipment** – Use of alternative inspection equipment in place of standard measuring equipment requires the approval of the ARVAN Quality Assurance manager or his designee. Submit an alternative inspection plan to the ARVAN Plant or QA Manager before fabrication or use of the alternative inspection equipment.

Section II: Selected Procurement Quality Requirements – The following Selected Procurement Quality Requirements apply when specified by number and letter in the purchase order.

1. **Control of Quality** – Provide and maintain the quality control system shown on the purchase order. ARVAN may audit your quality system for compliance.
 - a. ISO 9002 or AS9003, AS 9100 (latest revision)
 - b. Standard Inspection and Calibration System – Provide and maintain an inspection system acceptable to ARVAN. Provide and maintain complete inspection records. Maintain a calibration system which meets the requirements of MIL-STD-45662, ANSI/NCLZ 540-1, or the equivalent (latest revision)
 - c. Contractor Inspection – Provide the necessary inspections and tests to assure supplies conform to the requirements of this purchase order.
 - d. Other _____ (requirements to be cited on the purchase order)
2. **Test Reports/Certifications** – a report providing required data, per any of the following categories:
 - a. Chemical test reports
 - b. Physical and/or mechanical test reports
 - c. Non Destructive Test (NDT) or Process certifications, i.e. x-ray, prime, anodize, paint, etc.
 - d. Functional test reports
 - e. Copies of original **Mill** certifications for a. & b., above.

A **legible/reproducible** test report and/or certification will accompany each shipment. Each test report will identify the **specification** and **revision** as stated on the ARVAN purchase order. Include material lot numbers, heat numbers, melt numbers, batch numbers, types, and grades when they apply. Each test report must identify the serial numbers of serialized parts. Test reports must be dated and signed or stamped by the seller's representative (state title). ARVAN prohibits transcribing of the original supplier's test report to another form. Distributor shall submit legible/reproducible manufacturer's test reports.

3. **Shelf Life and Storage Requirements** – Shelf life and storage requirements set by specification require a shelf life statement. The statement will contain the Date of Manufacture (DOM), Date of Shipment (DOS), and/or Date of Test (DOT), as applicable. Include the ARVAN purchase order number, material lot or batch number, and the storage requirements. **Do not** ship supplies having less than 75% shelf life remaining without the written approval of ARVAN.

4. **First Article Inspection** – ARVAN requires acceptance of the first article before production begins. Processing of items before ARVAN acceptance is at seller's risk. Label the first article part with the purchase order number, part number, and part name.
 - a. Perform the first article inspection to the drawing requirements and notes. Complete a First Article Inspection Report listing each inspected characteristic and the actual results. Submit the first article and the report to ARVAN. Ref.
 - b. Notify the ARVAN Plant or QA Manager when the first article is ready for inspection. ARVAN will witness the first article inspection at the seller's facility.
 - c. Arvan will perform the first article inspection at our own facility. Submit the first article part and all associated documents to ARVAN.

5. **Source Inspection** – Notify the ARVAN Plant or QA Manager of hidden dimensions and dimensions difficult to inspect at final inspection. These dimensions require "in-process" inspection.
 - a. Supplies require ARVAN source inspection before shipment. Notify the ARVAN Plant or QA Manager forty-eight (48) hours in advance of the required inspection(s).
 - b. Plaster masters and epoxy tooling require ARVAN "in-process" inspections. ARVAN will verify template filing and rigging, fairing, scribe lines and any coordination activities taken from a master. Notify ARVAN forty-eight (48) hours in advance of the required inspection.

6. **Source Inspection – Government**
 - a. **The government reserves the right of surveillance inspection for any or all of the requirements of this purchase order.**
 - b. Government inspection is required prior to shipment from your plant. Upon receipt of this order, promptly notify the government representative who normally services your plant so that appropriate planning for government inspection can be accomplished.
 - c. On receipt of this order, promptly furnish a copy to the government representative who normally services your plant, or if none, to the nearest Defense Logistics Agency inspection office. In the event the representative cannot be located, our purchasing agent should be notified immediately.
 - d. The government has imposed mandatory inspection requirements on this purchase order and a letter of delegation will be sent to the government representative who normally services your plant.

7. **Dimensional Inspection Reports** – Document the results on your standard inspection report form or request a First Article Inspection Report form from the ARVAN QA Manager. The report will include as minimum the part name, drawing number, revision, serial number and the ARVAN purchase order number.
 - a. Provide a 100% dimensional inspection report of actual dimensions, attributes, **and** applicable drawing notes. Document the minimum to maximum range of the actual dimensions for all parts inspected.
 - b. Provide a dimensional inspection report containing a statement that all drawing requirements are acceptable. Record only those dimensions having a tolerance of plus or minus (+ or -) 0.030 or less, and any attributes and applicable drawing notes.
 - c. Perform sample inspection in accordance with ASQC-Z1.4, latest revision, Dimensions with a tolerance of 0.010 or less will have an AQL of 1.0% and dimensions with a tolerance of .011 to .030 will have an AQL of 4.0% and >.030 is not required, unless otherwise specified. Sample size will be based on the Special Inspection Level Table S-3. Accept on zero and reject on one. This means any defect is cause for the entire lot to be rejected.

8. **Certificate of Conformance** – An original Certificate of Conformance must accompany each shipment. The Certificate of Conformance must contain the purchase order number, a certification statement, a listing of specifications, drawings, technique cards, etc., with revisions levels as called out on the purchase order and the name of the seller's representative.

9. **Identification** – Unique identification will be assigned to articles and be noted and traceable throughout the associated documentation (reports and certifications).
- The seller will assign serial numbers. The digits of the purchase order are the digits of the serial number. A dash and consecutive numbers beginning with 001 will follow. For example Purchase Order 0-12345 yields serial numbers 0-12345-001, 0-12345-002, 0-12345-003, etc.
 - The seller will assign serial numbers on each consecutive item as specified in the purchase order.
 - Work order, lot, batch, or serial number identification is required for all items. This identification shall be noted and traceable throughout the associated documentation (reports and certifications).
10. **Traceability of Materials**
- ARVAN Supplied Material – All parts or materials furnished by ARVAN will maintain the “as furnished” identification. Do not substitute materials without **written authorization** from ARVAN. All documents for the parts or materials will show the “as furnished” identification.
 - Seller’s Material – Seller shall maintain traceability data, on file, for all parts or materials supplied, which identifies the parts/materials to the seller’s point of origin.
 - Seller will provide copies of the raw material certifications for the materials used in the products produced for ARVAN.
11. **Control of Special Processes** – A special process is a physical, metallurgical, or chemical change to a product. Normal inspection methods cannot assure conformance to a specification. Examples of special processes are casting, forging, heat treating, welding, plating, surface finishing, coating, treating, and testing, NDT, chemical, physical, etc..
- Arvan uses only customer or NADCAP approved sources for special processes
 - Provide Process Certifications with each shipment. Certifications will list the special processes performed and the applicable specifications/drawings/technique cards with revisions. Include the class, type and grade of the material and the serial numbers of serialized parts. Certifications will be dated and signed or stamped by an authorized supplier representative (state title).
12. **Documentation Package Review** –
- The completed documentation package (cert.s, test reports, dimensional data, etc.) must be submitted to and approved by ARVAN prior to shipment of parts or materials.
 - A copy of the completed documentation package (cert.s, test reports, dimensional data, etc.) must be faxed to ARVAN at the same time as the shipment of parts or materials. A full documentation package must also be shipped with the parts or materials.
13. **Insurance Requirements-**
- Commercial General Liability: Throughout the period of performance of this Purchase Order and until final acceptance by ARVAN, supplier may be required to carry and maintain General Liability Insurance with limits of not less than One Hundred Thousand Dollars (\$100,000).
 - Certificates of Insurance: Prior to commencement of the period of performance, Supplier may be asked to provide for ARVAN’s review and approval Certificates of Insurance reflecting full compliance with the requirements set forth in paragraph 13a “Commercial General Liability”.
14. **Request for Compliance to DFARS 252.225-7000 clauses.**
- Especially noting DFAR clause 252.225-7014 “Preference for Domestic Specialty Metals” and
 - DFAR clause 252.225-7016 “Restriction On Acquisition of Ball And Roller Bearings”.

15. Request for Compliance to European Union Directive 76/769/EEC and 2002/95/EC (RoHS – Restriction of Hazardous Substances)
 - a. All parts delivered under this order will meet the Directive requirements restricting the use of the polybrominated fire retardants, pentadiphenyl ether, and octadiphenyl ether.
16. Supplier will adhere to the directions provided in Executive Order (EO) 13224.

“Executive Order Termination of Emergency with Respect to the Taliban and Amendment of Executive Order 13224 of September 23, 2001”. To view the contents of this EO, please access the following website:
www.whitehouse.gov/news/releases/2002/07/20020703-1.html.