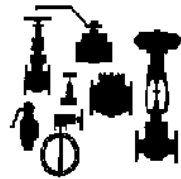


AVSCO Houston Inc.

3810 Juniper St.
Houston, Texas 77087

Quality Systems Manual

QP.100 Rev. 1
12/16/08



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Section I – Quality Management System

1 Preface

The President and Management of AVSCO Houston, Inc. (AVSCO), present this Quality Management System (QMS) as the vehicle for realizing our company's commitment to customer satisfaction, to continuous improvement, and to meeting customer and other requirements.

This manual describes the AVSCO QMS, as applicable to the products provided by AVSCO. It provides the authorization and control of related activities and their associated documentation.

Implementation of the policies presented is accomplished through application, support and continuous improvement of this QMS. These policies define requirements for employee consideration at all levels of the company. Supporting systems and processes are defined for consistency of application and effective communication within the organization.

Signature on File

N.K. Gupta
President /
Management Representative

2 Quality Policy

QUALITY POLICY

At AVSCO Houston Inc., it is our policy to support our customers' success by consistently delivering products to them on-time that meet or exceed their needs and expectations. AVSCO is committed to becoming the recognized leader in the distribution of industrial equipment and related components through a focus on total customer satisfaction and continual improvement.

Signature on File

N.K. Gupta
President

3 Introduction

3.1 Scope and Exemptions

This Quality Manual provides specific details on the policies and procedures used by AVSCO to meet ISO 9001:2008 Quality Management System requirements, as applicable to the distribution of industrial equipment and related components.

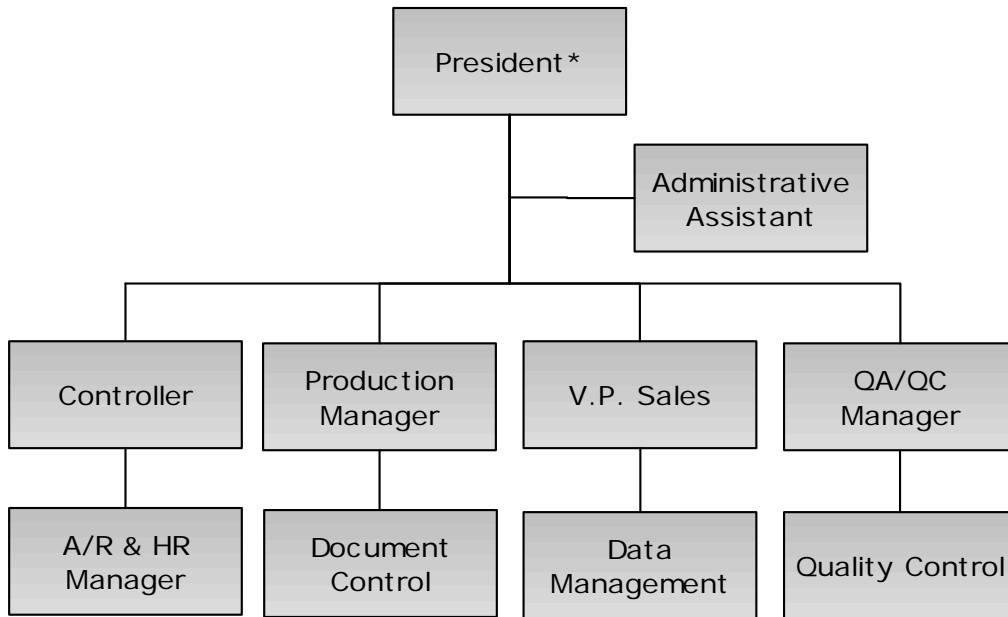
AVSCO has excluded clauses 7.3, *Design and Development* and 7.5.4, *Customer Property* from the applicable requirements of ISO 9001:2008, due to the nature of the organization and its products/services. These exclusions do not affect the organization's ability, or responsibility, to provide product that meets customer and applicable regulatory requirements.

Where AVSCO chooses to outsource any process that affects product conformity with requirements, AVSCO management will ensure that appropriate controls are established. Controls of outsourced processes are identified within this QMS.

3.2 Organizational Structure

Additional details for each position, including responsibilities related to this QMS, can be found in Table 2 of this manual.

Figure 1 - AVSCO Quality Organizational Chart



** Management Representative*

4 QMS

4.1 General requirements

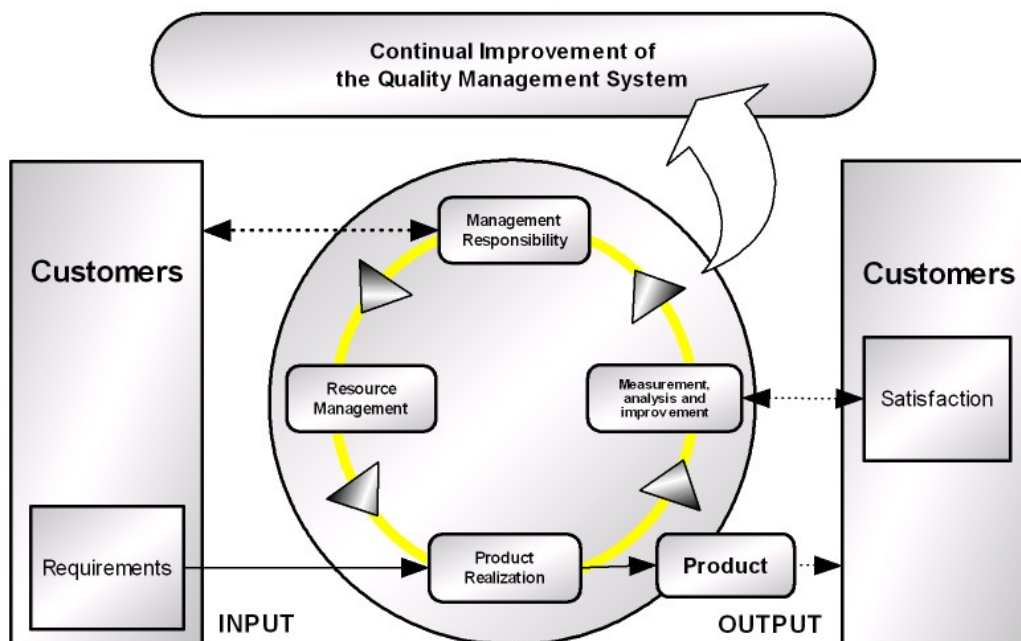
AVSCO establishes, documents, implements, maintains and continually improves this QMS in accordance with customer and other requirements.

In meeting these requirements, AVSCO has adopted a process-based QMS that:

- Identifies the processes needed for the delivery of product;
- Determines the sequence and interaction of the processes;
- Determines criteria and methods required to ensure the effective operations and control of these processes;
- Ensures the availability of information necessary to support the operation and monitoring of these processes;
- Measures, monitors, and analyzes these processes; and
- Implements action necessary to achieve planned results and continual improvement of these processes.

Additional information on interaction of key QMS processes is shown in Appendix A.

**Figure 2 –
Process-based QMS Model (Reference ISO 9001:2008)**



4.2 Documentation Requirements

4.2.1 General

This QMS is documented and controlled to ensure that the products provided by AVSCO conform to specified requirements. QMS documentation consists of the following:

- First Level: Quality Systems Manual (includes policy and objectives)
- Second Level: Quality System Procedures (includes responsibility)
- Third Level: Standard Work Procedures, Work Instructions, Work Sheets, etc.; and
- Forms, records, reports, etc., - maintained as part of each level of documentation in the Quality System.

4.2.2 Quality Manual

The requirements found within this quality manual are compliant with customer and other specified requirements, and include the following:

- The scope of the QMS, including details of, and justification for, any exclusions;
- Reference to controlled procedures; and
- A description of the sequence and interaction of the processes included in the QMS.

4.2.3 Controlled Documents

Documents that are required by this QMS are controlled. A written procedure (see QP.101) has been developed and implemented to define the controls needed to:

- Approve documents prior to issue;
- Review and update as necessary and re-approve documents;
- Ensure that changes and the current revision status of documents are identified;
- Ensure that relevant versions of applicable documents are available at points of use;
- Ensure that documents remain legible and readily identifiable;
- Ensure that documents of external origin are identified and their distribution controlled; and
- Prevent the unintended use of obsolete documents, and to apply suitable identification to them if they are retained for any purpose.

4.2.4 Quality Records

Quality Records includes all documents generated during the operation of the QMS. A written procedure has been developed and implemented (see QP.102) to ensure that records remain legible, readily identifiable and retrievable.

5 Management Responsibility

5.1 Management Commitment

The President and Management of AVSCO endorse and are committed to the QMS as presented in this manual. This commitment includes:

- Communicating and maintaining awareness of the importance of meeting customer, legal and other requirements;
- Establishing and periodically reviewing the quality policy,
- Ensuring that quality objectives are established;
- Conducting management reviews and acting on findings; and
- Ensuring the availability of necessary resources.

5.2 Customer Focus

This QMS has been designed to provide specific direction toward ensuring that customer needs and expectations are determined, converted into requirements, and fulfilled with the aim of achieving customer satisfaction.

5.3 Quality Policy

A Quality Policy has been established by the President to communicate AVSCO's commitment to customer satisfaction, to continually improving the effectiveness of this QMS, and to complying with customer and other specified requirements. The Quality Policy is further defined through the establishment of quality objectives within the organization (see 5.4.1).

The Quality Policy is a controlled document. Copies of this policy are posted for prominent display for both employees and customers, alike. During the annual Management Review (see 5.6), the Quality Policy is reviewed for continuing suitability.

5.4 Planning

5.4.1 Quality objectives

Quality objectives are established and reviewed on an annual basis, as part of AVSCO's Management Review process. These objectives address both product and process performance, and are measurable and consistent with the quality policy. These objectives are then used as the basis for QMS planning (see 5.4.2.).

5.4.2 QMS Planning

This Quality Manual and all the supporting processes provide the framework for QMS planning, reflecting the methods for product delivery and support. This planning is further detail by Quality Plans (see 7.1) and Process Control Plans (see 8.2).

Management Reviews are performed annually to evaluate and revise these plans, and to measure the company's progress towards meeting the quality objectives upon which these plans are based.

5.5 Responsibility, Authority, and Communication

5.5.1 Responsibility and Authority

Functions and interrelations within AVSCO, including responsibilities and authorities, are defined in job descriptions and quality assurance procedures and are communicated to the appropriate personnel. (See organizational chart, Table 1, and Appendix A)

5.5.2 Management Representative

AVSCO's President is the Management Representative for AVSCO's Quality Management System. The Management Representative, irrespective of other duties, is responsible for ensuring that all company personnel are aware of the relevance and importance of their activities, and how they contribute to the achievement of AVSCO quality objectives.

Additional information on the responsibilities of the Management Representative is shown in Table 2.

5.5.3 Internal Communication

Management ensures that appropriate communication occurs between all employees regarding the processes of the QMS and their effectiveness, through a variety of types of communication including:

- This QSM and associated procedures that specify program and process requirements;
- Internal communications network (Intranet);
- Employee meetings;
- Company training programs; and
- Employee performance reviews.

5.6 Management Review

Management reviews the QMS, Quality Policy, and Quality Objectives on an annual basis. These reviews are performed to assess the adequacy, effectiveness and continuing suitability of the existing QMS, as well as opportunities for improvement.

AVSCO's Management Representative is responsible for scheduling, conducting, and recording the review, including maintaining a list of all participants and recording *any decisions or actions taken*. The Management Representative is also responsible for maintaining the records of all reviews performed.

Management reviews include, as a minimum, the Review Inputs and Outputs shown below.

Table 1 – Management Review (Form 100.1)

Review Input	Review Output
<ul style="list-style-type: none">• Results of audits• Customer feedback• Process performance and product conformance• Status of preventive and corrective actions• Follow-up actions from earlier management reviews• Personnel status• Changes that could affect the QMS• Recommendations for improvement.	<ul style="list-style-type: none">• Improvement of the QMS and its processes• Improvement of products related to customer requirements• Resource needs• Quality Objectives

Table 2 - Summary of Responsibility and Authority

Title	Responsibility and Authority
President	<ul style="list-style-type: none"> • Define the Quality Policy; and • Ensure the communication and understanding of the Quality Policy throughout the organization.
Management Representative	<ul style="list-style-type: none"> • Ensure that QMS requirements are established, implemented, and maintained by each department within the organization; • Report on the performance of the QMS to Management for review and as a basis for continuously improving the efficiency of the quality system; • Act as liaison with external bodies and customers on matters relating to the AVSCO's quality system; and • Ensure the promotion of awareness of customer requirements throughout the organization.
Quality Manager	<ul style="list-style-type: none"> • Document and maintain the QMS, and the development of Quality Procedures and their subsequent revisions; • Perform scheduled audits of the QMS as implemented within the organization and report results to the Management Representative of AVSCO; • Initiate or direct actions which result in solutions to quality problems and verifying results; • Review the implementation of this QMS and report the status to the Management Representative; • Conduct QMS Training of Quality personnel; • Perform evaluations of suppliers to AVSCO; and • Determine and issue stop-work directions with concurrence of the Management Representative
VP's, Managers & Supervisors	<ul style="list-style-type: none"> • Implement the QMS as defined by this manual and related procedures; • Obtain and communicate customer requirements to the appropriate personnel or functional organization; • Ensure that qualified personnel and other resources are available to implement the QMS; • Ensure that products satisfy customer requirements including quality, safety, cost, schedule, and performance; and • Ensure that personnel comply with applicable standards regulations specification and documented procedures.
All personnel	<ul style="list-style-type: none"> • Ensure the quality of their work; • Operate in conformance with the requirements of this QMS; and • Stop work in progress to make appropriate notifications when unsafe conditions exist or requirements are not being met.

6 Resource Management

6.1 Provision of Resources

AVSCO's management of resources is controlled within the annual budgeting cycle. Each department manager has the opportunity to request required resources that are necessary to implement and improve the processes of the QMS and to address customer satisfaction. If special needs arise mid-year, every effort is made to determine and obtain the necessary resources.

6.2 Human Resources

The responsibility for obtaining competent, qualified personnel is a joint responsibility of the requesting manager and Human Resources.

6.2.1 General

Personnel who are assigned responsibilities defined in the QMS are competent on the basis of education, training, skill, and experience. Training and qualification requirements for personnel whose work directly affects quality are determined and documented by the department manager, where not otherwise specified.

6.2.2 Competence, Awareness, and Training

AVSCO's employee training program is designed to clearly demonstrate the competence of personnel performing work that affects quality. Training is provided to satisfy these needs within 30 days of hire or when the need is determined. Department Managers are responsible for identifying individual training needs and for ensuring that training needs are met in a timely and cost-effective manner.

All full-time employees and contract personnel responsible for performing activities affecting quality shall receive QMS indoctrination and training. The training program is designed to ensure that staff and contractors are aware of the purpose of this QMS, the Quality Policy, the relevance and importance of their activities, and how they contribute to the achievement of the quality objectives.

Training records, including education, skills and experience are maintained on all permanent employees, as well as contract employees who are hired for long term or significant assignments.

Training effectiveness is evaluated, as applicable, through the student's end-of-course scores and periodic evaluation of employee performance.

6.3 Infrastructure

AVSCO identifies, provides, and maintains the infrastructure it needs to achieve the conformity of its product delivery, including:

- Buildings, workspace and associated utilities;
- Equipment, including hardware and software; and
- Supporting products (such as transport or communication).

6.4 Work Environment

AVSCO determines and manages the human and physical factors of the work environment needed to achieve product conformance. This includes conditions under which work is performed (e.g., noise, temperature, humidity, lighting, or weather).

In maintaining an acceptable work environment, AVSCO is committed to operating in a safe and healthy manner that is in compliance with all applicable laws and regulations.

7 Product and Service Realization

7.1 Planning for Product and Service Realization

Work Instructions, break-down sheets, Inspection & Test Plans (ITP's) and other documents specifying the processes of the QMS and the resources to be applied to a specific project, contract, or order are referred to under this program as Quality Plans. Quality planning elements specifically determine:

- Quality objectives and requirements for product delivery;
- The need for processes, facilities, documentation, and other resources required for realization of product;
- Process verification and validation, monitoring, inspection and test activities specific to the delivery of product and the criteria for acceptance;
- Criteria for acceptability; and
- The records to demonstrate product delivery and process conformance.

The form of the output of this planning shall be based on procedural requirements, organizational needs and/or customer requirements.

7.2 Customer-related Processes

7.2.1 Determination of Customer Requirements

During initial discussions between AVSCO and a customer, and prior to issuing a quotation or proposal, AVSCO will determine customer requirements including:

- Requirements specified by the customer, including requirements for availability, delivery and support;
- Requirements not specified by the customer but necessary for intended or specified use, where known;
- Statutory and regulatory requirements, as applicable, related to the product; and
- Any additional requirements determined by AVSCO.

7.2.2 Review of Customer Requirements

Prior to any commitment to supply products to a customer (e.g., acceptance of a contract or order), customer requirements are reviewed, together with any additional requirements determined by AVSCO to ensure that:

- Customer requirements are defined;
- Where the customer provides no documented statement of requirement, the customer requirements are confirmed before acceptance;
- AVSCO has the ability to meet defined requirements; and
- The appropriate application is selected and capable of meeting the customer's requirements.

Records of reviews, including any significant changes or actions resulting from the review, are maintained. Records are also maintained of pertinent discussions with a client relating to the customers requirements, and of the quality of product.

7.2.3 Customer Communication

AVSCO maintains communication with customers before, during, and after the delivery of product. This communication includes, but is not limited to:

- Service information and specifications, which are controlled;
- Inquiries, contacts or order handling, including amendments; and
- Customer feedback, including customer complaints.

Information is available to customers through multiple channels, and customers are able to provide feedback directly to management. All complaints are recorded, analyzed, and appropriate action is taken to remedy the complaint in a defined timely manner (see 8.5.2).

7.3 Design and Development

AVSCO has excluded section 7.3 Design and Development from the applicable requirements of ISO9001:2000, due to the nature of the organization and its products. This exclusion does not affect the organization's ability, or responsibility, to provide product that meets customer and applicable regulatory requirements.

7.4 Purchasing

7.4.1 Purchasing Process

AVSCO has established the following purchasing process to ensure that purchased product conforms to specified purchase requirements. The specific type and extent of control applied to the supplier and the purchased product shall be dependent upon the effect of the purchase product on subsequent product realization or the final product.

Suppliers will be evaluated and selected on the basis of their ability to meet AVSCO's requirements and any quality requirements or standard that applies. As a minimum, suppliers are evaluated and selected based at least three considerations:

- Their ability to deliver to specified requirements;
- Their ability to achieve consistent delivery; and
- Cost-competitive pricing.

The results of evaluations and subsequent follow-up actions are recorded. A list of approved suppliers (Form 200.1) shall be maintained by AVSCO, with any purchasing limitations noted that may apply. This list of approved suppliers shall be maintained by the Quality Manager and shall be reviewed and approved at least annually.

7.4.2 Purchasing Information

Purchase Orders (POs) generated by AVSCO shall specifically describe the product to be purchased. POs shall ensure the adequacy of the specifications prior to communicating it to the supplier, and should include, as appropriate, the following information:

- The type, class, grade, or other precise information including any approval requirements.
- A reference to the applicable or accompanying drawings, specifications, or other relevant documents.
- QMS requirements, including the quality system standard to be applied or specific acceptance criteria to include any requirements for personnel or equipment qualification.

7.4.3 Verification of Purchased Products

Purchased items shall undergo receipt inspection to verify conformance to specified requirements. Receipt inspection shall take into account the results of previous supplier evaluations and receipt inspection results, as well as the demonstrated quality performance of the supplier.

7.5 Production and Service Provision

7.5.1 Control of Production and Service

AVSCO carries out production under controlled conditions. Controlled conditions include, as applicable:

- Availability of information that specifies the characteristics of the product(s) to be delivered;
- Where necessary, the availability of work instructions;
- Use and maintenance of suitable equipment for production and product operations;
- Availability and use of measuring and monitoring devices;
- Implementation of monitoring and measurement activities; and
- Implementation of defined processes for release, delivery and applicable post-delivery activities.

These controls may be found in Standard Work Procedures, Work Instructions, and as applicable, Material Specifications, Drawings, and Shop Routers.

7.5.2 Validation of processes

AVSCO validates production and related processes where the resulting output cannot be verified by subsequent monitoring or measurement. This includes any processes where deficiencies may become apparent only after the product has been put into use.

Validation demonstrates the ability of the processes to achieve planned results.

Special processes performed by AVSCO include Nondestructive Examination (NDE). As part of AVSCO's "SP.X" series of documents, AVSCO has established arrangements for the control and verification of these processes, which include the following, as applicable:

- Defined criteria for review and approval of the processes;
- Approval of equipment and qualification of personnel;
- Use of specific methods and procedures;
- Requirements for records; and
- Revalidation.

Where outsourced processes are used, AVSCO shall retain full responsibility for ensuring that the work performed meets all specified quality requirements.

7.5.3 Identification and Traceability

As necessary, AVSCO operations identify product by suitable means throughout product realization. This includes product status with respect to monitoring and measurement requirements. Specific requirements are found in Standard Work Procedures and other related documentation.

Where traceability is a requirement, AVSCO shall control and record the unique identification of the product. Records to this affect shall be maintained per QP.102.

7.5.4 Customer Property

At present, AVSCO's manufacturing and assembly processes do not require the use of customer provided equipment, materials, or other property.

Should such a need be realized in the future, AVSCO will implement the necessary controls to ensure compliance with the ISO 9001:2008 standard.

7.5.5 Preservation of Product

AVSCO preserves the conformity of product during internal processing and delivery to the intended destination. As applicable, identification, handling, packaging, storage, and protection shall meet customer and/or commercial requirements. As a minimum, the following apply:

- Products, equipment and special handling tools shall be utilized and controlled as necessary to prevent hazards to employees, damage, or deterioration. Equipment and special handling tools shall be inspected and tested in accordance with procedures and at specified time intervals to verify that the tools and equipment are adequately maintained.
- Packing is developed for each project to fit its needs. Unless otherwise specified, all packaging meets the requirements of the commercial shippers utilized such as Hot Shots, FedEx and UPS.
- Designated storage areas or stock rooms shall be used to prevent damage or deterioration of product pending processing, shipment or use. Product in storage shall be checked periodically to assess their condition. Appropriate methods for authorizing receipt to and shipping from such areas are stipulated.
- Products and Materials are delivered to customers using customer-designated carriers or AVSCO designated carriers as applicable.

7.6 Control of Measuring and Monitoring Equipment

AVSCO determines the monitoring and measurement to be undertaken and the monitoring and measuring devices needed to provide evidence of conformity of product to determined requirements.

Where necessary to ensure valid results, measuring equipment is:

- Calibrated or verified at specified intervals, or prior to use, against measurement standards traceable to international or national measurement standards;
- Where no such standards exist, the basis used for calibration or verification is recorded;
- Adjusted or re-adjusted as necessary;
- Identified to enable the calibration status to be determined;
- Safeguarded from adjustments that would invalidate the measurement results; and
- Protected from damage and deterioration during handling, maintenance and storage.

Documented procedures and instructions have been implemented to control, calibrate, and maintain monitoring and measuring equipment, to include environmental conditions suitable for inspection and measurements performed.

A Master Listing (Form 201.1) identifying each piece of controlled equipment used by AVSCO shall be maintained by the Quality Manager. Records of the results of calibration and verification of individual instruments (Form 201.2) shall be logged for each instrument as maintained as part of the instrument's documentation file.

AVSCO will assess and record the validity of previous measuring results when equipment is found not to conform to requirements to determine the extent and impact of the nonconforming condition. Equipment found out of calibration shall be controlled per **QP.104**, *Control of Nonconformances*.

8 Measurement, Analysis, and Improvement

8.1 General

AVSCO defines, plans, and implements the measuring, monitoring, and improvement activities needed to assure conformity and achieve improvement. Further information on these activities is described in the sections that follow and in their related procedures.

8.2 Monitoring and Measurement

8.2.1 Customer Satisfaction

Customer satisfaction is a key measurement used in evaluating the performance of this QMS. Customer satisfaction is determined by a review Customer Satisfaction Surveys (Form 100.1), which are distributed to AVSCO' customers on at least an annual basis, as well as customer complaints received and by other means of direct communication with the customer.

As a minimum, customer satisfaction data is reviewed initially upon receipt, and collectively as part of AVSCO' Management Review process. These reviews trigger analysis of the resultant information, management reporting, and initiate action(s) as necessary to either remedy customer dissatisfaction or further improve customer satisfaction.

Customer complaints, or Satisfaction Surveys identifying below-average performance (e.g., a rating of less than 3 on a scale of 1 to 5), require immediate review with the customer and corrective action (see 8.5.2) as appropriate, to ensure resolution of the problem (or issue) and any action necessary to prevent its recurrence.

8.2.2 Internal Audit

Internal quality audits are planned and performed on a regular basis throughout AVSCO by an auditor or audit team in accordance with documented procedures (see QP.103). Audits are performed by trained personnel on areas for which they have no direct responsibility. The audits objectively evaluate the effectiveness of all aspects of the QMS.

Internal audits are scheduled on the basis of status and importance of the activities involved. The audit scope, frequency and methodologies are defined.

Supervision/management of the area audited is responsible for reviewing any findings found by the auditors and taking appropriate corrective and preventative action. The Internal Quality Auditors review and verify action taken to ensure adequate and effective corrective action of the findings. Findings, actions, and closure are documented.

8.2.3 Measurement and Monitoring of Processes

AVSCO utilizes various methods for monitoring (and measuring) QMS processes, as appropriate to demonstrate the ability of these processes to achieve planned results. Reporting on the results of these activities is performed on a regular basis, and this information is subsequently used as input for AVSCO' Management Review.

When, as a result of this information, it is determined that planned results have not been or may not be achieved, corrective or preventive action will be applied, as appropriate.

8.2.4 Measurement and Monitoring of Product

As part of each order, AVSCO defines specific inspection and testing activities, to monitor and measure the characteristics of its products to verify customer requirements, and other requirements (e.g., applicable codes, standards and/or specifications), have been met. These activities are documented on the associated Inspection and Test Plan (ITP) and carried out at appropriate stages of the product realization process, in accordance with documented instructions, where applicable.

Receiving inspection, in-process inspection and final inspection are performed on a 100% basis, unless otherwise agreed upon with the customer. All inspection is performed by personnel who are independent of the production process.

Inspection results are recorded on the associated ITP and Inspection Sheet, where appropriate, as evidence of conformity with acceptance criteria. Performance of final inspections will be performed only after all other testing has been completed. Satisfactory completion of final inspection and the corresponding signature of the inspector shall indicate the authorization to release completed product.

Any Nonconformance identified during the verification process will be dispositioned in accordance with section 8.3 of this manual, and QP.107, *Control of Nonconformances*.

Product release and, as applicable, delivery, do not proceed until the planned arrangements have been satisfactorily completed, unless otherwise approved by a relevant authority, and where applicable, by the customer.

8.3 Control of Nonconformances

AVSCO has developed documented procedures to prevent the inadvertent use of product, personnel, equipment and/or materials which do not conform to requirements, and to provide for proper nonconformance notification to the customer, as applicable.

The control and related responsibilities and authorities for dealing with nonconformances are defined in *Control of Nonconformances* (QP.104).

Records of the nature of nonconformance and any subsequent actions taken, including concessions obtained, are maintained.

8.4 Analysis of Data

AVSCO collects and analyzes various types of data to determine the suitability and effectiveness of the QMS and to identify opportunities for improvement (see Table 3).

**Table 3 –
QMS Data Types & Measurement (sample)**

Data Type	Measurement
Customer Satisfaction	Customer Surveys
Competency / Training	Assessments
Supplier Performance	Verification Results / NCRs
Product Conformance	Inspection Results / NCRs
Product Conformance	Customer Returns
Process Conformance	Audit Results
Process Conformance	CARs by type

Such data analysis may be related to quality objectives, and may result in modifications to these objectives, as needed.

8.5 Improvement

8.5.1 Planning for Continual Improvement

AVSCO continually improves the effectiveness of this QMS through the use of AVSCO' quality policy, quality objectives, audit results, analysis of data, corrective and preventative action, and management reviews.

Improvement opportunities identified may form the basis for discrete improvement projects, or may serve as the basis for larger company-wide initiatives (e.g., Six Sigma, Lean, 5S, etc.). The results of such improvements activities are demonstrated in corresponding process and/or product records, as appropriate, and documented as part of AVSCO' Management Review.

8.5.2 Corrective Action

AVSCO maintains documented procedures for the analysis of nonconforming conditions, and for the initiation, implementation, and verification of corrective actions. (see QP.105). Any corrective action taken to eliminate the causes of actual or potential nonconformities shall be to a degree appropriate to the magnitude of problems and commensurate with the risks encountered. AVSCO implements and records any changes to documented procedures resulting from corrective action.

QP.105 defines requirements for:

- Identifying nonconformities (including customer complaints);
- Determining the causes for nonconformity;
- Evaluating the need for actions to ensure that nonconformities do not recur;
- Determining and implementing the corrective action needed;
- Recording results of action taken;
- Reviewing corrective action taken; and
- Applying controls to ensure that corrective action is taken and that it is effective.

8.5.3 Preventative Action

AVSCO maintains documented procedures for implementing preventative action to deal with potential nonconformances (see QP.106). Any preventative action taken to eliminate the causes of potential nonconformities shall be to a degree appropriate to the magnitude of problems and commensurate with the risks encountered. AVSCO implements and records any changes to documented procedures resulting from preventative action.

QP.106 defines requirements for:

- Identifying potential nonconformities and potential causes;
- Evaluating the need for actions to ensure that nonconformities do not occur;
- Determining and implementing the preventative action needed;
- Recording results of action taken; and
- Reviewing preventative action taken.

9 Revision History

<u>Rev.</u>	<u>Description</u>	<u>By:</u>	<u>Date</u>
0	Initial	DG	08/28/07
1	Update to ISO 9001: 2008; other revisions as noted in document margin	MAR	12/16/08

Appendix A Sequence and Interaction of Key QMS Processes

