



QUALITY CONTROL MANUAL

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INTRODUCTION

JETSET AEROSPACE INC. (Jetset) is a distributor of aircraft parts, components and other related support items applicable to the commercial aviation marketplace worldwide.

The product control system described in this manual has been evaluated and meets the requirements set forth in Chapter 563, Subchapter A, Section 563-105 of the Airworthiness Manual for the distribution of aeronautical products.

This product control system also meets the requirements set forth in the Airline Suppliers Association's (ASA) "Standard 100".

In order to ensure the integrity of parts supplied, the quality control manual adheres to The following general guidelines:

- Adequate warehousing facility.
- All areas are ventilated and provide adequate space for their intended purpose.
- All parts within the serviceable storage area are environmentally protected to prevent any possible damage during storage.
- All unserviceable and non-aviation items shall be segregated from repairable, serviceable or new surplus products in such a manner as to preclude the issuance/ delivery of an unserviceable or non-aviation product for intended use on a type certificate aircraft, engine component or accessory.

The procedures and policies outlined in the quality control manual are to insure the highest quality standards in the purchase and sale of aircraft parts.

Robert Farkas
Quality Control Director

MANUAL CONTROL

- The Quality Control Manual for Jetset Aerospace Inc. shall be the responsibility of the Director of Quality Control.
- The only controlled copies of this manual will be given to the General Manager, Shipping and Receiving Manager and in the appropriate inspection areas.
- All revisions will be accompanied with a control page that will have the revision number, revision date, insertion date and the initials of the person inserting the revision.
- Revisions for any other controlled manuals or literature (AC's, FAR's, CAR's) or ASA Standards will be checked on a regular basis's and updated accordingly.
- All revisions shall be forwarded to Transport Canada for acceptance prior to their implementation.

QUALITY CONTROL DEPARTMENT

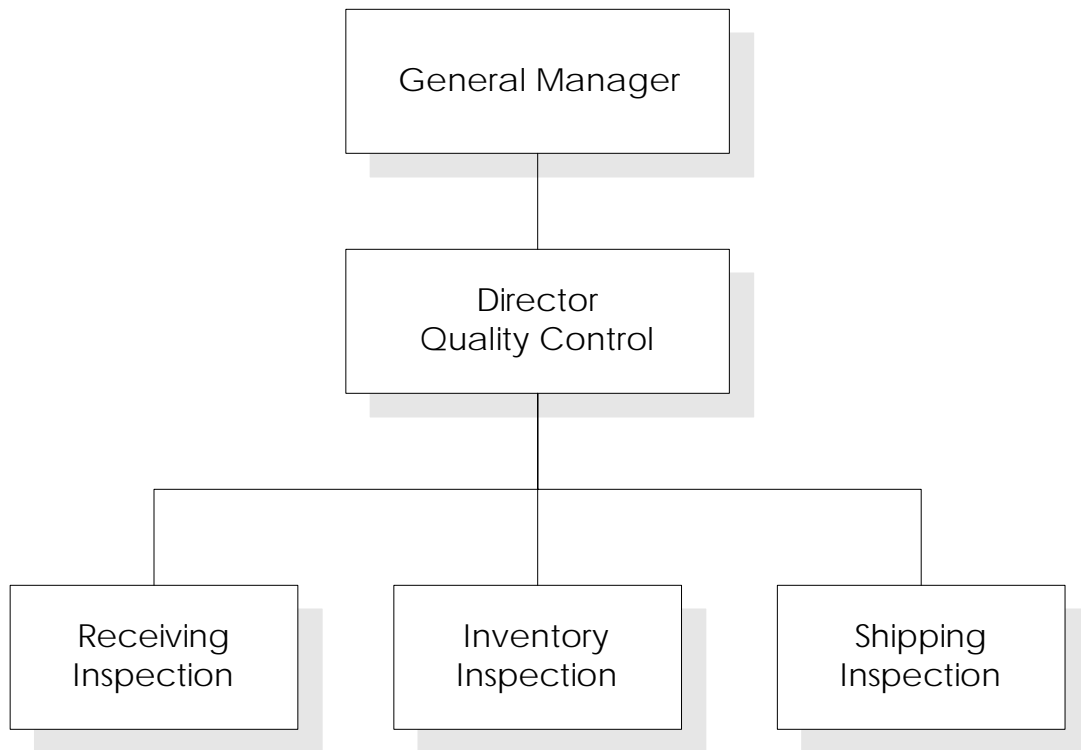
The Quality Control Department shall monitor the functions of the warehouse shipping, and receiving area for compliance with all the policies and procedures established by Jetset Aerospace Inc.

The Director of Quality Control or his designee, using QC Form 005 as guideline and QC Form 004 for their findings and corrective actions, shall accomplish internal Audits. These will be recorded, and maintained on file. Such audits shall be conducted no less than once per calendar year.

The Director of Quality shall conduct on-going training of the Shipping / Receiving and Quality Control Inspectors to insure that they comply with the requirements of the FAA AC #00-56 and DOT AWM563.

The records of all OJT or classroom training will be documented and records maintained on file. A roster of authorized signatures controlled by the Director Quality Control shall be utilized.

**QUALITY CONTROL DEPARTMENT:
ORGANIZATIONAL CHART**



GENERAL POLICIES AND PROCEDURES

1. PURPOSE

- A. To establish policies and procedure with respect to quality control and integrity of parts and materials supplied to customers. Inspection policies and procedures have been established in order to detect quality deviations at point of receipt and to protect and maintain quality and integrity throughout receiving, warehousing and shipping operations.
- B. The Director of Quality Control (DQC) or designee will be responsible for accomplishing a Receiving Inspection of all incoming Parts/ Components/ Materials.
- C. The DQC will train all receiving inspectors to perform the above tasks.

2. MATERIAL SOURCES

The policy expressed herein will apply with respect to material received from the following sources

- A. Airlines operating and approved by regulatory boards such as FAA (United States), CAA (United Kingdom), DOT (Canada)
- B. JAA (Joint Aviation Agency International)
- C. OEM, Prime Manufacture, PMA, TSO.
- D. Airline/FAA approved alternate sources.
- E. Other approved vendors

3. DEFINITIONS

- A. **Prime Manufacturer** – A person or company holding a Type Certificate Data Sheet for a particular Aircraft, Engine, Accessory. Example: Boeing, Pratt & Whitney, Sundstrand.
- B. **Subcontractor to the Prime Manufacturer** – A person or company that manufactures parts or equipment for a prime manufacturer using specifications and part numbers supplied by the prime manufacturer. Example: PPG windows, Western Gear Company.

GENERAL POLICIES AND PROCEDURES

3. DEFINITIONS (con't)

- C. **Original Equipment Manufacturer (OEM)** – A person or company that manufactures parts of its own design and part numbers specified by a prime manufacturer for use on these products. Example: Benedict, Airresearch, and Collins.
- D. **Parts Manufacturing Approval (PMA)** – An approval granted by the FAA/DOT/JAA to a person or company to manufacturer certain materials, parts and appliances for installation on a Type Certified Product as prescribed in FAR 21.303, Subpart K
- E. **Licensee Agreement** – A provision of FAR 21.47 which allows a Type Certificate Holder to transfer Product Manufacturing Rights to a second party by means of licensing agreement. All agreements must be FAA/DOT /JAA Approved and the manufacturer must certify their products in accordance with the licensee agreement.
- F. **Technical Standard Order (TSO)** – A specification issued by the FAA/DOT/JAA stating minimum performance and quality standards a manufacturer must conform to in production of specific parts, components and appliances. All products manufactured in accordance with TSO Specifications must have TSO Number permanently attached.
- Example: Avionics Equipment, Seat Belts.
- G. **Supplemental Type Certificate (STC)** – A certificate issued by the FAA/DOT approving a person or company to manufacturer a product which introduces a major change in a Type Design not great enough to apply for a new certificate.
- Example: Ground Proximity Warning System.
- H. **JAA Form 1 (Joint Aviation Agency)** – Similar to an FAA 8130/TCA 24-0078 foreign air carriers and repair stations out side the US and Canada.

GENERAL POLICIES AND PROCEDURES

4. INSPECTION - RECEIVING

- A. As part of the receiving procedures all material shall be checked for conformance to shipping and purchase documents as well as unit identification authenticity.
- B. Material shall be checked for required documents and presence of manufacturer's official identification and acceptance markings.

Example: forms 8130 /24-0078, teardown reports.
- C. Purchase and repair orders, must coincide with the part or material as far as Part Number, Serial Number, Modifications and AD's.
- D. Material shall be physically inspected for shipping damage, obvious defects, improper handling, or packing.

5. SHIPPING

- A. Materials shall be checked for conformance to shipping/sales and purchase documents.
- B. Documents shall be reviewed to assure that material source is identified and that required copies of necessary certifications accompany material.
- C. Packaging shall be checked to insure proper protection of material to be shipped I/A/W ATA Spec 300 Requirements.
- D. In the event a part is determined to constitute a significant event, both the customer and the accreditation agency will be notified within 24 hours from time of discovery.

GENERAL POLICIES AND PROCEDURES

5. WAREHOUSING

- A. Source documentation shall be maintained, protected and attached to the subject part. Storage techniques shall be utilized which will protect material from damage/ mislocation.
- B. Materials that are subject to deterioration by the elements shall be adequately protected. All New, Overhauled, or Serviceable material shall be segregated from Repairable/ As-Removed material.

6. OVERHAUL/ REPAIR

- A. Jetset policy is to have all repairable parts overhauled, repaired, or bench tested serviceable by a DOT/ FAA/ JAA Approved repair station prior to shipment to a customer, unless the customer specifically requires the parts to be supplied in Repairable/ serviceable "as is" condition.
- B. Jetset shall assure that the records of the work accomplished are maintained on file by the repair stations for periods of time as called for in the appropriate quality standards as defined in the FAA AC# 00-56. Jetset Aerospace shall retain such records for a period of seven years after the sale to the customer.

MATERIAL SOURCE

1. SCOPE

This section describes the selection parameters regarding our source supply.

2. POLICY

- A. All parts suppliers will be either DOT/ ASA approved or approved by Jetset's QC Director. A list will be on file in the QC Dept.
- B. Quality Control is responsible for the quality and integrity of material. Sources of supply shall be the responsibility of the Purchasing Department, with in mind that the following quality procedures be upheld.
- C. The QDC or designee will perform self-audits at a period of every six months to ensure that the purchasers are abiding by these procedures.

3. PROCEDURES

- A. New/ New Surplus parts to be traceable to the OEM, Prime Manufacture, FAA FAR Part 121 or 135 Aircarrier, FAR-Part 145 Certified Repair Station, PMA, TSO or another FAA Approved Sources as provided in the FAR's.
- B. Serviceable parts to be accompanied by documents from a DOT/ FAA/ JAA Certified repair station. The tag (forms 8130-3, 24-0078, JAA-1) and tear down report must be signed (not stamped) which identifies status of part as overhauled, serviceable, tec. .
- C. Repairable / As-Removed parts shall be traceable to the last certificate operator.
- D. Items that may be considered as " Suspected UN- Approved Parts" will follow the procedure in Chapter VI, 2, I in this manual.
- E. Incoming items that do not meet the aforementioned criteria shall be secured in the designated Quarantined area along with their pertinent documents and the Quality control Department notified.

INSPECTION SYSTEM AND PROCEDURES

1. DOCUMENTATION AND CERTIFICATION

The director of Quality Control is responsible directly to the General Manager on all quality related issues.

- A. New parts must be supported with documentation and/or certification from the manufacturer, or source, to establish their traceability to the original manufacturer.
- B. All serviceable or repairable parts purchased must be supported with documentation and/or certification from the source, to establish tractability to their last user, and establish that the parts were removed from a serviceable unit that had not been subjected to severe stress or heat, as in major engine failure, accident or fire.
- C. Life limited parts, in addition to the above required documentation and certification must be accompanied by documents from the last operator, showing time and cycles remaining, as well as the engine serial number in which it was last installed.
- D. Life limited parts will have a Part History Certification. Part History Certification will include, but not limited to the following:
 - Part Number
 - Serial Number
 - Part description
 - Part History, Time and Cycles (total and remaining)
 - Authorized Inspector's Signature

Parts sold will have a Material/Part Certification.

INSPECTION SYSTEM AND PROCEDURES

2. RECEIVING INSPECTION

All parts will be visually inspected for, but not limited to:

- A. Evidence of any obvious defects.
- B. All caps and plugs are in place.
- C. All Part numbers, Serial numbers, (including dash and mod numbers or letters) match the purchase or repair order.
- D. All the related documentation (maintenance releases, 8130's, material certification, tractability, etc... are checked for correctness and are signed not stamped.
- E. Check fasteners for visual defects and inspect for workmanship. Insure documentation is correct (C of C) and the sources have the material certification on file.
- F. Any part number substitution will be agreed upon in writing between the purchaser and the supplier before shipment or receipt of the part.
- G. Discrepant parts received shall have the QC 1 form completed. The part is then routed to the Quarantine shelf until disposition is given.
- H. QC 1 forms distribution: Original will be given to the DQC. Second copy will be forward to the appropriate purchaser, and the Third copy will stay with the part, which will be on the Quarantine Shelf.
- I. Procedure for Suspected UN-Approved Parts is as follows: 1) All suspected parts will be brought to the DQC's attention. 2) The appropriate agencies will be notified by use of the Suspected UN-approved Parts Notification Form (FAA 8120-11) IAW Appendix 1, AC 21-29B.

INSPECTION SYSTEM AND PROCEDURES

3. WAREHOUSING

- A. All parts received are to be properly packaged per ATA Spec 300 and preserved per acceptable industry standards, as determined by the Quality Control Department. All serviceable parts are to be protected from metal-to-metal contact.
- B. Any part with special storage requirements shall be handled in accordance with its manufacturer's recommendation or acceptable industry standard as determined by Quality Control.
- C. All parts to be stored shall be properly identified with a Jetset ID Tag and its location recorded into the inventory database.
- D. All parts received will be recorded in the computerized Inventory Control System.
- E. All Serviceable Parts shall be stored with their serviceable tags 24-0078 / 8130 and Jetset ID tag attached.
- F. All As-Removed / Repairable parts shall be segregated from Tagged / New / overhaul /Serviceable parts. Storage areas will be designated to reflect the different condition of parts.
- G. All parts deemed scrap by the Quality Control Department would be segregated from all inventories, until it is destroyed and discarded.

INSPECTION SYSTEM AND PROCEDURES

4. OUTGOING INSPECTION /SHIPPING

- A. Parts identified for shipment shall have a final visual inspection to ensure that no obvious damage has occurred during storage and handling. This will be an undocumented inspection, provided that the item has no evidence of damage or corrosion.
- B. Shipping documents will be cross-checked against the corresponding customers purchase order, sales order, all documentation or certifications, part number and serial number inscribed on the part
- C. All items will be packaged in suitable containers to protect them from rough handling and shock. Appropriate labeling will be attached.
- D. Material/Part Certification will be provided on all shipments.
- E. If the splitting of designated " Lot Inventories" is required, the certification documents of the entire lot shall be photo copied and enclosed with the partial lot shipment with appropriate wording reflected on the document. Jetset Aerospace shall retain the original.

5. REJECTED PARTS

- A. Parts rejected for cause will be stored in a quarantine area until final disposition, as in returned to vendor or scrapped.
- B. Parts scrapped will be defaced by the Quality Control Department. The scrap material will either be cut in half or damaged beyond repair.

NOTE: See Chapter 7-B for more procedures.

DISCREPANT/SCRAP MATERIAL PROCEDURES

1. DISCREPANT MATERIAL

Anytime material is received that is not in the condition stated on the purchase order, the receiving inspector will notify Quality Control and the following action taken:

- A. Part will be put on the quarantine shelf
- B. Discrepancy Report form QC1 will be filled out by the receiving inspector
- C. Quality Control will review the Discrepancy Report
- D. A copy will be generated for all involved parties
- E. Appropriate action will be taken to resolve the discrepancy ASAP
- F. If required, arrangements will be made for return of the part to the vendor
- G. Quality control shall research and evaluate the vendor to determine if further action is required.

2. SCRAP MATERIAL

Once parts have been determined to be beyond repair by a FAA Certified Repair Station or by a Quality Control Inspector, the following procedure will be met:

- A. The parts will be placed in an area away from the main parts, and it will be restricted.
- B. Documentation for the part being scrapped, as well as a record of all scrapped material, will be maintained on file by the QC Department.
- C. A review of the questionable parts will be conducted on an as needed basis. This review will determine if further inspections are warranted or if circumstances change that will make returning the part to service feasible.
- D. If the review determines the part in question be destroyed, the following methods will be utilized depending on the circumstances:
 - 1) Cutting by mechanical means (Sawing, Grinding, etc.)
 - 2) Cutting by use of welding type apparatus
 - 3) Distortion of the part by a hammering device
- E. E. A record will be maintained of all parts scrapped as defined in Standard 100 of the Airline Suppliers Association. A QC-3 Form will be made out and the information will be transferred to a scrap reports in the QC office.

OVERHAUL / REPAIR STATIONS APPROVAL / SELECTION

1. SCOPE

This section describes the overhaul approval/selection process and the shipping /handling of material that requires overhaul/repair and certification, functional testing, or modification.

2. POLICY

All items requiring overhaul/repair shall be sent to a DOT/ FAA/JAA approved repair station. Jetset shall ensure that the repair stations are financially sound, observe business practices and meet airline and FAA/DOT /JAA quality standards, before approval of their services is granted. On-site or self-audits of repair station surveys will be conducted every 2 years.

3. PROCEDURES

Customer instructions, applicable component maintenance manual procedures acceptable to the FAA administrator and AC 00-56 will determine specifications followed in accomplishing overhaul and repair work. Quality Control shall be responsible for:

- A. Maintaining liaison with the airlines regarding airline engineering approved repair stations.
- B. Performing repair station audits and inspections
- C. Insuring that detailed instructions for work to be performed are provided
- D. Determining that the repair station is approved to accomplish specific work.
- E. Approving or rejecting the repair station based on capability to conform to airworthiness standards and product quality.
- F. Inspecting work performed by repair stations to the extent necessary to determine conformity to accepted technical and workmanship standards, and approving or rejecting conditions found.
- G. Preparing and maintaining approved list of qualified overhaul/repair stations.
- H. Checking incoming and outgoing Used Serviceable parts to verify that all sign-offs are complete and that parts are serviceable
- I. Reviewing and forwarding condition discrepancies found in receiving or shipping to identify and segregate discrepant material, as applicable.

OVERHAUL / REPAIR STATIONS APPROVAL / SELECTION

4. INSPECTION AND REPAIR ORDERS

- A. Repairable parts shall be sent to an approved DOT/ FAA/JAA certified repair station.
- B. Part number and serial number as applicable will initiate a Work Order/Repair Order specifying the inspection or work scope required, and identifying the items.

5. REPAIR VENDORS

- A. All Vendors, as appropriate, are required to return, with a serviceable part, a copy of the incoming inspection/workscope, FAA Form 8130-3/ DOT Form 24-0078 reflecting repairs/service bulletins accomplished and part final inspection report.
- B. All DOT/ FAA/JAA 145 Repair Station utilized to overhaul/repair inventory items are required to provide current Airworthiness Directives (AD) status at time of their return to service for the subject part.
- C. The Quality Control Department will keep on file a copy of the repair stations Air Agency Certificate, and FAA /DOT/JAA Approval letter of the stations drug screening policy, or review same if conducting audit.
- D. An audit is not required to become an approved vendor, if the vendor is certificated by the DOT/FAA or I/A/W AC -0056. However, copies of that vendor's Certificate of Airworthiness and/or supplier audit form will be acquired and maintained on file by the QC department.
- E. Performance for an approved vendor will be monitored and if deemed necessary an audit will be performed to assure quality and compliance.
- F. The Quality Control Department will maintain an approved vendor list.

NOTE: A vendor not on the list can be used in an emergency on a one (1)-time basis. Purchasing will notify the QCD at this time.

CALIBRATED TOOLS AND TEST EQUIPMENT

Jetset Aerospace Inc. is not a DOT/FAA/JAA Certificated Manufacture or Overhaul Repair Station. Jetset does not perform any detail dimensional, vacuum or pressure-check inspections.

Jetset has no need to maintain calibrated tools or test equipment and therefore, does not maintain a record of calibration for such tools or test equipment.

HAZARDOUS MATERIAL HANDLING

Hazardous substance or materials and dangerous goods shall be properly classified described, packaged, marked, labeled, documented and in condition for transport in compliance with applicable regulations and instructions.

Jetset has personnel with Hazardous Material Training. These personnel will handle the Hazmat Material and will be specifically responsible during receiving, warehousing and shipping.

SHELF-LIFE LIMITS

The following procedure is established to assure that Shelf Life Sensitive Parts conform to inspection.

- A. A list of the Shelf Life Items will be stationed at the Receiving desk. At time a part is received and it is Shelf Life sensitive, the inspector will and in the notes of his Receiving Report "Shelf Life – SLL" (SLL = Shelf Life Limit)

Example: Shelf Life – 24 Months.

- B. This Receiving Report will then go to the data entry receiving which will be computed from date overhaul, date of repair affecting the component, or date of the last shelf life "Inspected and Tested " date, and entered into the Quick Quote Computer System.
- C. All monitoring of Shelf Life will be performed off the computer-generated reports.
- D. All parts/materials with shelf life runout will be dealt with as "Scrap Material" and procedures for Scrap Material handling will be followed.

ELECTRO-STATIC SENSITIVE DEVICES

All ESD receiving and inspection will be performed at the ESD Station. The Station is equipped with an Anti-Static floor mat, Anti-Static table mat and grounded wrist bands Procedure on ESD Handling is at all Stations and only Trained personnel are to handle ESD units.

The following extra precautionary steps are to be followed when handling Electro-Static Sensitive Devices (ESD).

- A. When first received, the inspection personnel shall insure that the component arrived in the proper type of shipping/ storage container. This includes all materials that come into contact with the devices.
- B. Particular attention is to be given to the less obvious items such as foam wrapping, bubble wrap and bags. All of these items must be designed for the shipment and storage of ESD's.
- C. If it appears that the item in question is not properly packaged notify Quality Control and do not process the part until the discrepancy is solved.
- D. All ESD's will be stored in the protective packaging they were received in provided the packaging meets manual requirements and those of the OEM.
- E. All temperature and humidity precautions recommended by the OEM will be maintained.
- F. Only properly trained personnel will handle ESD's.
- G. ESD's items are to be staged on designated ESD table for receiving purposes.
- H. A special area has been designated within the warehouse as the ESD area and is marked accordingly.

NOTE: The standard established in ATA 300 covers generally accepted practices and this reference should be used whenever possible, when handling ESD equipment.

PARTS RECALL PROCEDURE

This procedure is to ensure that all parts/materials that are recalled for any reason are properly documented for return to inventory or other disposition.

1. ANNOUNCEMENT OF RECALL

- A. When notified of a part recall, quality control will commence a complete audit pertinent to the specific part, including purchase order, sales order, serial number, etc. .
- B. All paperwork will be pulled and put on hold until part is received back at Jetset.

2. NOTIFYING CUSTOMER

- A. Customer will be notified in writing, giving the particulars –P/N, S/N, their P. O. and why it is being recalled.
- B. The customer will also receive a follow up phone call to ensure that they did receive the notification and that they are to return the unit in a timely manner.
- C. If the unit is already installed on an Aircraft, then Jetset will AOG a part to the customer and depending on the severity of the recall will determine the removal time.

3. JETSET'S RESPONSIBILITY

- A. When Jetset receives the unit back from the customer, the original paperwork will be sent back with the unit and the copies will be put in a file in the QC Department.
- B. A log (QC-6 Form) will be kept to insure follow-up on the unit being recalled. A copy of the log will be given to the Purchasing/Repair department head.
- C. The database shall be updated to make sure a recall part is not quoted for sale.