# Table of Contents

# Section A - General

| | |
|---|---|
| **1** | **Introduction** |
| **1.1** | IAI maintains a quality system based on approved procedures. The information in these procedures as related to Build to Print (BTP) and Build to Spec (BTS) types Approved Suppliers is being flown down to the supply chain via this document. This document is also linked to a compliance matrix that enables verification of quality requirements at the suppliers being met. |
| **1.2** | This document contains requirements derived from IAI – AVG's quality procedures. It constitutes an inseparable part of the quality assurance requirements detailed in the agreement/purchase order for the project. IAI Supplier Manager is responsible for providing the supplier with updates to the quality assurance requirements. |
| **1.3** | All IAI suppliers having this document attached to their PO must comply with the requirements defined in AS9100 current revision and the additional requirements as defined in this document. |
| **1.4** | All suppliers in Non-BAA countries shall meet the additional requirements in "Appendix D". |
| **2** | **Purpose** |
| **2.1** | The purpose of this document is to flow down quality requirements to IAI – AVG suppliers approved as Build to Print (BTP) and Build to Spec (BTS) types in IAI's Approved suppliers List (ASL). |
| **3** | **Definitions** |
| **3.1** | Goods – Any material, product, component, accessory, item, process, technology, software module and/or engineering design assigned for IAI, as specified in engineering documents. |
| **3.2** | Commercial Item (a.k.a. "Off the Shelf Item") - An item listed in the manufacturer's catalog, manufactured according to the manufacturer's design or to a recognized standard specification, a.k.a. "Commercial Off the Shelf" or "COTS". |
| **3.3** | Supplier – A general term for a person or company supplying goods in accordance with conditions established in the Contract or Purchase Order. In this document, supplier is the organization that receives a Purchase Order from IAI. |
| **3.4** | Approved Supplier – A supplier with valid qualification listed in the Approved Suppliers List (ASL - Managed in the SAP System). |
| **3.5** | Manufacturer – A supplier that manufactures products according to own engineering design or recognized standard specs, which may be purchased as "Off the Shelf" from its Catalog. |
| **3.6** | Distributor – A supplier/manufacturer representative, who maintains stock and, in certain cases, performs cutting of materials to size, or performs re-packaging, as defined in his approved Quality system.<br>Note:<br>The distributer may perform re-packaging of non-metal materials, such as glues, paints and sealants, only on authorization from the OEM. |
| **3.7** | Agent – Representative of suppliers/manufacturers to IAI, does not manage an inventory, registered in IAI's quality system. |
| **3.8** | Qualification Audit – Evaluation of the quality management system's capabilities of the supplier to |

| | |
|---|---|
| | act within the framework of the contract specifications, or defined quality standard specifications. |
| **3.9** | Rating – Methods for evaluating supplier performance during a specified period, input includes quality criteria and the meeting of delivery dates. |
| **3.10** | Supplier Manager – A Purchasing & Logistics (P&L) organization person who is in charge with managing one or more IAI suppliers, responsible for the communications with the supplier. |
| **3.11** | Sub-Tier – In this document, sub-tier is an organization that receives a Purchase Order from IAI suppliers. |
| **3.12** | IAI-AVG – Israel Aerospace Industries – Aviation Group. |
| **3.13** | Customer – IAI-AVG |
| **3.14** | CAAI – Civil Aviation Authority of Israel. |
| **3.15** | QMP – Quality Management Procedure. |
| **3.16** | AS9100 – "Quality Management Systems – Requirements for Aviation, Space, and Defense Organizations" – originating with IAQG |
| **3.17** | IAI Suppliers Website – Internet site http://www.iai.co.il/ for information such as: Approved Supplier List, process specification list, Unsatisfactory Reports (UR), supplier approvals, MANTRA and additional information (registration is required). |
| **3.18** | Non-BAA – Non Bilateral Airworthiness Agreement (between countries) |
| **3.19** | PMA – Parts Manufacturer Approval.<br>A production approval for aerospace parts based on approved design. It allows a manufacturer to manufacture and sell these articles for installation on type certificated products. |
| **3.20** | Quality Plan – Document that specifies the operative methods, responsibility resources and activities that is significant for product, process or service quality. |
| **3.21** | SSI – Significant Structural Item is a structural detail, a structural element, or a structural assembly that contributes significantly to the carrying of flight, ground, or pressurization loads and whose integrity is essential in maintaining the overall structural integrity of the aircraft.<br>A sub Set of Critical Items (CI's) |
| **3.22** | ILAC – International Laboratory Accreditation Cooperation. |

# Section B - Doing Business with IAI-AVG

| | |
|---|---|
| **1** | **Approval of Suppliers** |
| **1.1** | Basic requirements for supplier approval: |
| | • Supplier is AS9100 or ISO9001 certified by an Accredited Certification Body (CB). |
| | • Audit by IAI (Applicable for BTS and BTP suppliers).<br>Demonstration of compliance to meet quality system requirements and capability to meet the product/process control and technical requirements for the intended Scope Of Work. |
| | Note: Supplier approval for direct shipment requires written approval given to a supplier for shipment of defined products. |
| 1.2 | Basic requirements for supplier of special process approval: |
| | • Supplier is AS9100 or ISO9001 certified by an Accredited Certification Body (CB). |
| | • Supplier is Nadcap accredited in the applicable commodity or is committing to achieve such accreditation within 12 months of IAI approval of the process or processes at the supplier |
| | • Supplier who is doing work for IAI and certified to IAI PS's, is required to declare it to Nadcap, to be audited by Nadcap on these processes. |
| | • Supplier declaration (self-assessment) of special process capability<br>(Form 400-3-2010 – "Supplier Declaration of Special Process Capability"). |
| | • Audit by IAI - Demonstration of compliance to meet IAI Process Specification requirements. |
| | Note: Suppliers performing special processes to IAI process specifications (PS's) must be approved by IAI and certified to the specific PS's, regardless of having a direct PO from IAI (regardless of the tier in the supply chain) |
| **2** | **Request for Approval** |
| **2.1** | Request for approval through IAI supplier manager shall be addressed to:<br>Director, Quality Management<br>Aviation Group, Dept. 1090<br>Israel Aerospace Industries Ltd.<br>Ben-Gurion International Airport, 70100 |
| **3** | **Supplier Approval** |
| **3.1** | Approved supplier will be added to IAI ASL. |
| **3.2** | IAI reserves the right to rescind the authorization of the supplier at any time, partially or wholly. The ongoing validity of an approval depends on continuing compliance with the PO quality requirements and quality of the products or processes supplied. |

# Section C
# IAI-AVG Requirements / Provisions in addition to SAE AS9100

| | Subject | Comply | Not Comply | N/A | Remarks |
|---|---|---|---|---|---|
| 1 | **Quality Management System** | | | | |
| 1.1 | The supplier's Quality Management System shall comply with AS9100 or equivalent (current revision) and the additional requirements defined in this document. | | | | |
| 1.2 | Supplier shall appoint a Quality Management POC for IAI. | | | | |
| | | | | | |
| 2 | **Documentation Requirements** | | | | |
| 2.1 | **Compliance Matrix** | | | | |
| 2.1.1 | The supplier shall comply to all requirements in this document or obtain certain wavers. | | | | |
| 2.1.2 | The compliance matrix must be approved by the IAI supplier's Quality Manager. The supplier must retain the approved matrix. | | | | |
| | | | | | |
| 2.2 | **Program Quality Plan - (PQP)** | | | | |
| 2.2.1 | Upon IAI QM request, the supplier shall prepare a Program Quality Plan (PQP) for goods intended for IAI | | | | |
| 2.2.2 | The PQP shall assure compliance with requirements specified in this document and additional purchase order (PO) /contract requirements. | | | | |
| 2.2.3 | The PQP shall be submitted to IAI supplier's QM for approval. Changes shall be made to the PQP as may be needed following changes in PO's and require IAI re-approval. | | | | |
| | | | | | |
| 2.3 | **Foreign Object Damage (FOD) Prevention plan** | | | | |
| 2.3.1 | The supplier shall implement processes to detect, prevent, and eliminate Foreign Object Damage (FOD). | | | | |
| 2.3.2 | The supplier's FOD prevention plan shall be submitted to IAI upon request. | | | | |
| | | | | | |
| 2.4 | **First Article Inspection - (FAI)** | | | | |
| | The supplier shall prepare a FAI Plan in accordance with the guidelines and requirements of AS9102 standard and instructions in "Appendix B". | | | | |
| | | | | | |
| 2.5 | **Documentation in English** | | | | |
| | The supplier shall maintain an English language version of: | | | | |

| | Subject | Comply | Not Comply | N/A | Remarks |
|---|---|---|---|---|---|
| | (A) Quality management system procedures / manual | | | | |
| | (B) Program Quality Plan (if requested). | | | | |
| | (C) Manufacturing planning (headings as a minimum), quality records (headings as a minimum) and any other document required specifically by IAI. | | | | |
| | | | | | |
| 2.6 | **Quality Records - Period of Retention** | | | | |
| 2.6.1 | Records shall be secured to prevent damage and deterioration. Method of storage must ensure ease of retrieval. | | | | |
| 2.6.2 | General Quality records - Unless otherwise required in Contract or Purchase Order (PO), Quality records shall be retained for a period of not less than 10 years from the date of shipment under each applicable PO. | | | | |
| 2.6.3 | FAI reports shall be retained for 10 years past delivery of the Product covered by the FAI. | | | | |
| 2.6.4 | Quality records for Critical Items and Significant Structural Items (SSI) shall be retained for 10 years. Information related to the traceability of the parts shall be retained indefinitely. | | | | |
| 2.6.5 | All data stored electronically shall be secure and regularly backed up | | | | |
| 2.6.6 | In the event of supplier closure, or termination or expiry of the contract, all pertinent records shall be transferred to IAI. | | | | |
| | | | | | |
| 3 | **Management Commitment** | | | | |
| 3.1 | Right of Access | | | | |
| | IAI and its customers, CAAI, government and authorities shall be entitled to have their representative granted access to all areas at supplier's premises where work is being performed for IAI | | | | |
| | The Right of Entry requirement shall be flown down to suppliers when the purchased products are intended for the IAI product. | | | | |
| 3.2 | The representative shall be entitled to: | | | | |
| | Verify the compliance of the item with the engineering specifications and requirements of the purchase documents. | | | | |
| | Perform on site audits to evaluate, validate, inspect and observe tests as well as the applicable documentation of all products to be supplied by the supplier under IAI's order. | | | | |
| | Assure compliance to IAI quality requirements. | | | | |
| | | | | | |
| 3.3 | Upon request, the supplier shall present to the representatives any manufacturing documents, work instructions, quality records related to the | | | | |

| | Subject | Comply | Not Comply | N/A | Remarks |
|---|---|---|---|---|---|
| | products for IAI. | | | | |
| | | | | | |
| **4** | **Changes in the organization, Supplier Work or Processes** | | | | |
| 4.1 | The supplier shall notify IAI within 14 calendar days of any changes to: ownership of the company, QM System certificate, Nadcap certificate, replacement of key management personnel, organization structure, change in facility, location and/or any other significant changes that may affect the IAI. | | | | |
| 4.2 | The supplier is required to notify IAI prior to any transfer of significant work or Critical Parts / Significant Structural Items (SSI) to a new facility, and/or change of suppliers or processes. | | | | |
| | | | | | |
| **5** | **Management Review** | | | | |
| 5.1 | The supplier's management review shall be carried out at least once a year. The management review shall include aspects of the IAI product related quality plan and review IAI feedback. | | | | |
| | | | | | |
| **6** | **Human Resources** | | | | |
| 6.1 | Supplier's employees shall be trained, competent and authorized to meet the requirements of IAI. Competency program shall include but is not limited to the following | | | | |
| | All employees related to IAI products: | | | | |
| 6.1.1 | Awareness of: Process safety, counterfeit and suspected counterfeit parts, the importance of ethical behavior, contribution to product or service conformity, dangerous materials, procedures, acquaintance with regulations and customer requirements as applicable to employee duties and work environment. | | | | |
| 6.1.2 | "Professional Certifications" - Employees that need special skills, e.g. certification to specific special processes, manufacturing and assembly processes, or special tests | | | | |
| 6.1.3 | Training: As required to perform the task. | | | | |
| 6.1.4 | Periodic Competency Assurance - Refresher training and/ or competency evaluation, as applicable | | | | |
| 6.1.5 | Training shall be provided at the responsibility of direct Manager to all employees related to IAI products as a minimum once every three years or following changes to equipment, process methods, procedures and others. | | | | |
| 6.1.6 | Training and/ or competency evaluation records shall be maintained and include at least the following information: | | | | |

| | Subject | Comply | Not Comply | N/A | Remarks |
|---|---|---|---|---|---|
| | ☐ Subject | | | | |
| | ☐ Topics | | | | |
| | ☐ Applicable specifications or commodity | | | | |
| | ☐ Employee name | | | | |
| | ☐ Instructor name or organization | | | | |
| | ☐ Dates of training/ evaluation | | | | |
| | | | | | |
| **7** | **Planning of Product Realization** | | | | |
| 7.1 | **Risk Management** | | | | |
| 7.1.1 | The supplier shall adopt a risk management policy using appropriate risk management tools in order to perform risk management to the operations under his responsibility | | | | |
| 7.1.2 | The supplier shall provide a risk management plan upon IAI request. | | | | |
| 7.1.3 | High risk elements shall be reported immediately to IAI supplier manager. | | | | |
| | | | | | |
| 7.2 | **Configuration Management** | | | | |
| 7.2.1 | The supplier shall maintain a Configuration Management System (CMS) that meets AS9100 requirements. | | | | |
| 7.2.2 | The supplier shall carry out configuration control for all applicable engineering and manufacturing documents related to the IAI PO's | | | | |
| | | | | | |
| **8** | **Customer Related Processes** | | | | |
| **8.1** | **Supplier Performance** | | | | |
| 8.1.1 | The supplier's performance is evaluated by IAI and indicated in IAI Suppliers Website. Supplier shall monitor its rating and initiate corrective activities to maintain rating above 95% (Status: Need to Improve). | | | | |
| 8.1.2 | Quality Improvement Plan (QIP) shall be submitted to IAI upon IAI's request. | | | | |
| | | | | | |
| **8.2** | **Supplier Review of "IAI Suppliers Website"** | | | | |
| | All communications with suppliers related to products and PO's is via the IAI suppliers website | | | | |
| 8.2.1 | The supplier shall use the information in the IAI Suppliers Website for contract/order review of a new purchase orders (PO's). | | | | |
| 8.2.2 | The supplier shall monitor and review periodically (at least quarterly) the IAI Suppliers Website. The review shall include certification validity, special processes approval, quality & delivery indexes, Unsatisfactory Reports (UR) status, engineering data configuration (complete check mark on the Acknowledgment column), Point of Contact (POC) for engineering documents distribution, etc. | | | | |

| | Subject | Comply | Not Comply | N/A | Remarks |
|---|---|---|---|---|---|
| 8.2.3 | The supplier is responsible is to notify IAI Supplier Manager if documents are missing from the supplier website that may prevent performing the work defined in the active PO's. | | | | |
| | | | | | |
| **8.3** | **Review of Requirements related to product - (Contract Review)** | | | | |
| 8.3.1 | Upon receipt of a Request For Quotation / Request For Proposal (RFQ / RFP) or PO, the supplier shall ensure that the name of the product or other clear identification, applicable version numbers of specifications, drawings, process specifications, inspection instructions, and other relevant technical data are clearly defined | | | | |
| 8.3.2 | The contract/order review shall be retained as quality record. | | | | |
| | | | | | |
| **8.4** | **Digital Product Definition – (DPD)** | | | | |
| 8.4.1 | Suppliers receiving engineering definition data in digital format must conform to the additional requirements in IAI Quality Management Procedure No. 342.10.07 – "Quality Assurance Standard for Digital Product Definition/Model Based Definition (DPD/MBD)". | | | | |
| 8.4.2 | The supplier shall be authorized by IAI for the use of DPD. | | | | |
| | | | | | |
| **9** | **Design and Development -** Applicable to Build To Spec (BTS) Suppliers Only | | | | |
| | | | | | |
| 9.1 | The supplier shall perform design and development activities in accordance with requirements of AS9100 and the requirements of this document. | | | | |
| 9.2 | Supplier shall define: acceptance criteria, test plans, safety requirements, critical items, key characteristics in addition to any defined in the information flown down by IAI. | | | | |
| 9.3 | Records of the results of design review / verification shall be retained by the supplier as quality records | | | | |
| 9.4 | Design and development changes shall be managed in accordance with the internally approved configuration management process (Ref ISO10007 for guidance). | | | | |
| 9.5 | The complete design data shall be approved by IAI engineering via Vendor Control Drawings (VCDs). | | | | |
| 9.6 | Changes to the configuration defined in VCDs (that have been previously approved), shall be approved by IAI prior to implementation. | | | | |
| 9.7 | Supplier shall make available to IAI upon request the information related to all the changes in the approved design (beyond those affecting the VCD, for the purpose of verifying correct classification). | | | | |

| | Subject | Comply | Not Comply | N/A | Remarks |
|---|---|---|---|---|---|
| | | | | | |
| **10** | **Special Processes For IAI products** | | | | |
| 10.1 | IAI Special Process Specification (PS's) | | | | |
| | Special Processes are the processes which their Process Specification (PS) specifically define them as such in the definition statement within each IAI PS | | | | |
| 10.2 | Performance of IAI processes listed hereafter, by the supplier or one of its sub-tier suppliers, can be only by an IAI approved supplier to the called-out PS, listed in IAI "Approved Suppliers List" in IAI Suppliers Website. | | | | |
| | | | | | |
| 10.3 | Following is the list of Special Processes families: | | | | |
| | · Chemical Milling | | | | |
| | · Heat Treatment | | | | |
| | · Surface Treatment and Plating | | | | |
| | · Welding, Brazing, | | | | |
| | · Laminated Structures | | | | |
| | · Structural Adhesive Bonding | | | | |
| | · Hot Forming | | | | |
| | · Thread Rolling | | | | |
| | · Shot-Peening and Forming | | | | |
| | · Non Destructive Testing (NDT) | | | | |
| | · Hot Dimpling | | | | |
| | · Electrical Discharged Machining (EDM) | | | | |
| | | | | | |
| 10.4 | The supplier shall use the latest revision of the IAI Process Specification (PS), as appears in the IAI Suppliers Website. | | | | |
| | | | | | |
| 10.5 | Other Process Specifications. | | | | |
| 10.5.1 | Performing special processes in accordance to process specifications other than IAI Special Process Specifications, shall be only by approved suppliers to the specifications called out in the engineering documents. | | | | |
| 10.5.2 | Obtaining approval for special processes other than IAI PS's is the sole responsibility of the supplier. | | | | |
| | Note: IAI may assist with information related to approved processors to called out specifications, or with approaching the PS owner (i.e. IAI's customer) with a request to prioritize approval activities. IAI is not in a position to offer technical assistance with obtaining approval to process specifications it does not own. | | | | |
| | | | | | |

| | Subject | Comply | Not Comply | N/A | Remarks |
|---|---|---|---|---|---|
| **11** | **Purchasing Process** | | | | |
| 11.1 | **Supplier Control of Lower-Tier Suppliers.** | | | | |
| 11.1.1 | The supplier shall be responsible for the approval and quality of their lower-tier suppliers, by means of quality requirements flow-down and appropriate controls. Supplier must have a plan for managing their sub-tier suppliers. Plan should include audits, surveys, and additional controls, as seen necessary by the supplier | | | | |
| 11.1.2 | Upon IAI request, the supplier shall submit to IAI full information regarding the approvals of his subcontractors. | | | | |
| 11.1.3 | Upon IAI request, the supplier shall provide to IAI Supplier Manager information regarding delegation of authority granted to their lower-tier suppliers to inspect parts or assemblies for which the supplier is responsible. | | | | |
| 11.1.4 | The supplier shall maintain and upon request provide to IAI, data regarding his lower-tier suppliers and suppliers that are involved in performance of special processes. | | | | |
| 11.1.5 | The supplier is solely responsible for effective control of his sources of procurement and for the compliance with quality requirements as specified in the IAI PO / contract. The supplier shall exercise control over their purchasing documents and shall ensure the incorporation of all applicable requirements, including quality assurance requirements. | | | | |
| 11.1.6 | The supplier is responsible to define the shipping requirements to assure that goods are shipped according to the manufacturer's instructions or IAI's Process / Material Specification (PS/MS) and shipping requirements. | | | | |
| 11.1.7 | Flow-down shall include requirements for documentation and records assuring full traceability to materials and processes. | | | | |
| 11.1.8 | IAI requirements for RCCA (Route Cause Corrective Action) must be included in sub-tier management criteria. | | | | |
| | | | | | |
| 11.2 | **Purchasing of Raw Material, Fasteners and Chemicals** | | | | |
| 11.2.1 | BTS Suppliers (Type 13) can use their own sourced fasteners, raw materials, components, etc. from supplier’s approved sub-tiers. | | | | |
| 11.2.2 | BTS Suppliers (Type 13) have the option to purchase raw materials, fasteners, or chemicals from IAI approved sources or from IAI Framework Agreement Suppliers (Type 1E) at their discretion. | | | | |

| | Subject | Comply | Not Comply | N/A | Remarks |
|---|---|---|---|---|---|
| 11.2.3 | BTP Suppliers (type 12) can purchase Raw Materials, Fasteners, not provided by IAI, only from IAI approved or agreed suppliers. The list of suppliers used must be made available to IAI upon request. | | | | |
| | | | | | |
| 11.3 | QA Requirements for goods (Raw Materials, Fasteners, Chemicals) purchased from IAI Framework Agreement Suppliers (1E): | | | | |
| | These are the quality requirements that must be included in the PO: | | | | |
| | ☐ The goods in this P.O. are designated for IAI products. | | | | |
| | ☐ The Quality Assurance Plan between IAI and the supplier (1E) applies to this P.O. | | | | |
| | ☐ The goods in this P.O. shall be inspected and tested by the supplier (1E) in accordance with the IAI approved Quality Assurance Plan. | | | | |
| | ☐ Each shipment must be accompanied with a shipper and a Certificate of Conformance (COC) stating that goods are in compliance to the approved Quality Assurance Plan. | | | | |
| | ☐ The A/M certificate (COC) shall be signed by the supplier's (1E) inspector and the IAI delegate inspector at the supplier's site. | | | | |
| | | | | | |
| 11.4 | **Verification of Purchased Products (Receiving Inspection)** | | | | |
| | | | | | |
| 11.4.1 | The supplier shall perform receiving inspection and verification actions on products purchased from its suppliers. As a minimum, it shall include: | | | | |
| | ☐ Obtaining proof of the quality of the product from the supplier (such as: accompanying documentation, compliance certificates, test reports, statistical process control records etc.) | | | | |
| | ☐ Inspection and compliance inspection from the supplier. | | | | |
| | ☐ Inspection of required documentation. | | | | |
| | ☐ Inspection of the products upon receipt | | | | |
| | | | | | |
| 11.4.2 | When the supplier relies on test reports for the verification of the product purchased, the data in these reports must be verified against the applicable documents. | | | | |
| | | | | | |
| 11.4.3 | If the purchase is not from an IAI Framework Agreement Supplier (1E), the supplier shall plan, implement and control for prevention of the use of counterfeit or suspected counterfeit parts, and shall confirm the following during receiving inspection: | | | | |

| | Subject | Comply | Not Comply | N/A | Remarks |
|---|---|---|---|---|---|
| | ☐ Check the validity of the Test Reports, COC, and shipping documents against PO and applicable drawings and specifications. | | | | |
| | ☐ Full traceability of the received item along the supply chain - from original manufacturer | | | | |
| | ☐ Verify that goods were received from IAI approved/ agreed suppliers. | | | | |
| | ☐ Perform visual Inspection for incoming goods. Additional inspection to be performed as decided by the Quality Manager | | | | |
| | ☐ Send samples of raw materials, fasteners, chemicals, sealant or additional items to an IAI approved or accepted Laboratory for verification inspection, as defined by the applicable Material or Process Specification. | | | | |
| | | | | | |
| 11.4.4 | BTP Suppliers (Type 12) - The sampling plan for laboratory testing of incoming products purchased shall be per: | | | | |
| | ☐ IAI PS 850100E – "Acceptance Testing of Incoming Raw Materials". | | | | |
| | ☐ IAI PS 850110E – "Acceptance Testing of Incoming Aerospace Fasteners". | | | | |
| | ☐ IAI Material Specification (IAI MS) called out by drawing, or IAI PS called out on drawing for non-metallic materials. | | | | |
| | | | | | |
| 11.4.5 | Counterfeit, or suspected counterfeit, parts shall be controlled to prevent re-entry into the supply chain. | | | | |
| | The supplier shall notify IAI of any event of counterfeit, or suspected counterfeit part identified | | | | |
| | | | | | |
| **12** | **Control of Production and Service Provision** | | | | |
| 12.1 | First Article Inspection (FAI) | | | | |
| | The organization shall use a representative item from the first production run of a new part or assembly to verify that the production processes, production documentation and tooling are capable of producing parts and assemblies that meet requirements. This process shall be repeated when changes occur that invalidate the original results (e.g., engineering changes, manufacturing process changes, tooling changes). | | | | |
| | Note: This activity is often referred to as first article inspection. | | | | |
| | The supplier shall carry out First Article Inspection (FAI), in accordance with AS9102 standard "Aerospace First Article Inspection Requirement" and requirements specified in Appendix B. | | | | |
| | | | | | |
| 12.2 | **Identification and Traceability** | | | | |

| | Subject | Comply | Not Comply | N/A | Remarks |
|---|---|---|---|---|---|
| 12.2.1 | The supplier shall manage a traceability system for all parts, beginning with raw material and up to and including final assemblies. | | | | |
| 12.2.2 | Marking of all parts must follow the instructions on the drawings and the PO | | | | |
| 12.2.3 | Unless otherwise specified, parts shall be marked as a minimum with the following information: IAI part number, manufacturing date, work order and inspection stamp. | | | | |
| | | | | | |
| 12.3 | **Planning for Inspection** | | | | |
| 12.3.1 | When requested, the supplier shall coordinate the phase of inspection and/or test of product with IAI supplier manager. Typically, applicable to development phase or to critical items. | | | | |
| 12.3.2 | When requested, the supplier shall provide necessary planning for IAI review, for identification of IAI inspection points. Typically, applicable to development phase or to critical items. | | | | |
| | | | | | |
| 12.4 | **Customer Property** | | | | |
| 12.4.1 | The supplier shall establish procedures to register, manage a list, assure proper and safe storage of all items and tools provided by IAI. | | | | |
| 12.4.2 | Goods supplied by IAI with a serviceable tag or COC, do not require additional testing and shall be subject to visual inspection and documentation verification only. | | | | |
| 12.4.3 | All raw materials and fasteners for IAI parts, which were supplied by IAI, shall be stored in a separate and identified storage area. | | | | |
| 12.4.4 | All jigs and tools provided by IAI, and used in manufacturing, shall be inspected by the supplier prior to use for completeness, lack of damage and evidence of inspection. | | | | |
| | The tools and jigs shall be marked as "IAI property". | | | | |
| 12.4.5 | The supplier shall not modify / amend IAI's supplied products without IAI's approval. | | | | |
| | | | | | |
| 12.5 | **Preservation of products** | | | | |
| 12.5.1 | Supplier shall protect the products to avoid damage and FOD during manufacturing process, interim transportation and shipping | | | | |
| 12.5.2 | Supplier shall design and prepare packaging as needed to protect the goods shipped to IAI. Unless otherwise directed by the drawing, the PO or the contract, the supplier shall follow the guidelines provided by recognized standards for packaging, preserving, and shipping the type of goods being shipped to IAI. | | | | |
| | | | | | |

| | Subject | Comply | Not Comply | N/A | Remarks |
|---|---|---|---|---|---|
| 13 | **Packaging for shipment** | | | | |
| | The supplier is responsible for the packaging unless otherwise specified in the contract or PO. | | | | |
| | Suppliers may use their own unique packaging based on own expertise. | | | | |
| | At a minimum: | | | | |
| | Supplier shall pack and protect the product from FOD, leave enough clearance in the package / container and cap openings when required. Products shall be wrapped with an anti-corrosion packaging bag, water resistant nylon, bubble wrap and put into proper container in order to prevent damage during transportation. Product should be protected and prevented from moving in the package/container. | | | | |
| | | | | | |
| **14** | **Control of Monitoring and Measuring Equipment** | | | | |
| 14.1 | Tooling serving as inspection media shall be validated prior to use and then inspected periodically at intervals not to exceed 24 months. | | | | |
| | The supplier shall maintain a list of all tools and jigs that are subject to periodical inspection. Supplier shall submit IAI the periodic inspection data for all jigs and tools provided by IAI. | | | | |
| | | | | | |
| **15** | **Monitoring and Measurement** | | | | |
| 15.1 | Statistical techniques | | | | |
| | The Key Characteristics (KC) may be determined by IAI. In addition, the supplier may identify additional KC's as appropriate for the product and manufacturing method used. | | | | |
| | | | | | |
| 15.2 | **Monitoring and Measurement of products** | | | | |
| 15.2.1 | All products shall be inspected to verify conformity to specified requirements via (internally) approved instruments, methods and techniques. If sampling inspection is used as a means of product acceptance it has to be based on SAE ARP9013 – "Statistical Product Acceptance Requirements" and approved by IAI QM. | | | | |
| | | | | | |
| 15.3 | When CAAI Conformity Inspection is required, the supplier shall coordinate with IAI Supplier Manager the CAAI inspection. | | | | |
| | | | | | |
| 15.4 | The supplier shall not conduct any additional work on any product which has been accepted and "bought off" by IAI Quality Management representative (QM), unless authorized in writing by IAI QM. | | | | |
| | | | | | |

| | Subject | Comply | Not Comply | N/A | Remarks |
|---|---|---|---|---|---|
| **16** | **Control of Non-conforming Product** | | | | |
| | | | | | |
| 16.1 | BTP Suppliers: | | | | |
| 16.1.1 | A supplier of the IAI is not authorized to handle a non-conforming IAI product by their own MRB system unless granted MRB authority from IAI. | | | | |
| 16.1.2 | MRB shall be managed by IAI Quality Management, dispositioned by IAI engineering and approved according to IAI-AVG MRB procedure. | | | | |
| 16.1.3 | The handling of a nonconforming product shall be in accordance with "Appendix C" to this document. | | | | |
| | Upon detection of non-conforming products or goods, they shall be segregated before further processing. Physical segregation of non-conforming goods is required (segregation solely by electronic means is not sufficient) | | | | |
| 16.1.4 | The supplier shall report to IAI any non-conforming product (that does not comply with the design or quality requirements) using IAI-AVG Material Review (MR) form 383.10.01-004. (See "Appendix C"), or use IAI Electronic MRB System. See Note 1. | | | | |
| | | | | | |
| 16.2 | BTS Suppliers | | | | |
| 16.2.1 | BTS (Type 13 suppliers) are authorized to control non-conforming products within their quality system under own MRB system. Such subcontractors are defined as Manufacturers Authorized for internal MRB.<br>In such cases, IAI must be approached with MRB's that violate a (IAI) product specification or VCD, or in any case of the internal MRB classified as Class I. Upon approaching IAI with request for MRB, it will be classified by IAI according to IAI-AVG procedure and handled accordingly. | | | | |
| 16.2.2 | All the information related to supplier internal MRB Class II shall be available to IAI, and to CAAI upon request. | | | | |
| 16.2.3 | Supplier may use own forms or system to record non-conforming product findings. Supplier shall communicate MRB documents to IAI using IAI-AVG Material Review (MR) form 383.10.01-004, (See "Appendix C"), or via the IAI Electronic MRB System | | | | |
| | | | | | |

| | Subject | Comply | Not Comply | N/A | Remarks |
|---|---|---|---|---|---|
| 16.3 | All Suppliers | | | | |
| 16.3.1 | The supplier shall report to IAI any non-conforming product (that does not comply with the design or quality requirements) using IAI-AVG Material Review (MR) form 383.10.01-004. (See "Appendix C"), or use IAI Electronic MRB System. | | | | |
| 16.3.2 | When non-conformance of goods / services or quality system related, are detected at the supplier, IAI reserves the right to demand corrective actions. | | | | |
| | IAI shall submit this demand by means of an Unsatisfactory Report form, a Non-Conformity Report form or by an administrative letter. | | | | |
| | | | | | |
| 16.4 | When IAI rejects an item and returns it to the supplier for repair or rework accompanied by an Unsatisfactory Report (UR), and the supplier does not accept the rejection or categorizes it as "no fault found" after testing it, the item shall only be returned to IAI with IAI Quality Management approval. | | | | |
| | | | | | |
| 16.5 | Notification of Escape (NOE) | | | | |
| | The supplier must notify IAI Supplier Manager within 48 hours on any potentially Non-Conforming product supplied, attaching all the required details and data (P/N, S/N, delivery information, qty.) using IAI NOE form 374.10.12-001. See Note 2. | | | | |
| | | | | | |
| **17** | **Analysis of Data** | | | | |
| 17.1 | Periodic Quality Status Reports | | | | |
| | Upon request, the supplier shall provide to IAI Supplier Manager a quality status report on a periodic basis. This quality status report shall contain all or part of the following, as asked by IAI: | | | | |
| | First Time Quality (FTQ), yield, internal & external failure trends and analysis, Root Cause Corrective Actions (RCCA), escapes and complaints. | | | | |
| | | | | | |
| **18** | **Improvement** | | | | |
| 18.1 | Quality Improvement Plan – (QIP) | | | | |
| | Upon request, supplier shall prepare a Quality Improvement Plan. | | | | |
| | The plan shall be approved by IAI Supplier Management. | | | | |
| | | | | | |
| 18.2 | Corrective and Preventive Actions | | | | |
| | | | | | |
| 18.2.1 | The supplier shall investigate and take action to eliminate the cause of non-conformances in order to prevent recurrence when: | | | | |
| | ☐ It addresses the IAI Material Review Board. | | | | |

| | Subject | Comply | Not Comply | N/A | Remarks |
|---|---|---|---|---|---|
| | ☐ A complaint from IAI has been received by the supplier. | | | | |
| | | | | | |
| 18.2.2 | Supplier shall respond with immediate and systemic corrective actions according to the priority and the instructions stipulated in the RCA. Supplier shall implement, verify and follow-up on effectiveness of corrective actions. | | | | |
| | | | | | |
| 18.2.3 | Unless otherwise requested the supplier shall respond to IAI RCA within 20 days from the UR receipt date. | | | | |
| | The UR response must be submitted via the IAI supplier portal. | | | | |
| | | | | | |
| 18.2.4 | The supplier may request a postponement of the corrective action response. The supplier must submit this request to IAI and detail the reasons for the delay, before the original required date. | | | | |
| | | | | | |
| **19** | **Other Requirements** | | | | |
| 19.1 | Personal Stamps | | | | |
| | Personal stamps shall be used to identify approved / qualified operators. Inspectors shall use the stamp to approve quality records and to identify parts. Stamps shall be controlled. | | | | |
| | Supplier shall maintain traceability of the stamps, and perform periodic verification for their legibility. | | | | |
| | Electronic stamps can be used if the supplier has a controlling procedure and system. | | | | |
| | | | | | |
| 19.2 | Quality inspectors shall be subject to annual visual acuity test (Jaeger 1 or similar) | | | | |

**Note 1:**

Supplier shall report to IAI on any non-conformance. The supplier shall flow-down this requirement to its sub-tiers. Such sub-tiers shall report on non-conformances to the issuer of the PO they are working to. The issuer of the PO has the right to scrap the part(s) in lieu of approaching IAI for MRB.
In case when the supplier is a special process provider per IAI-PS (Process Specification), approved by IAI, and the non-conformance is related to the process itself, the supplier must notify IAI directly, regardless of notification to the issuer of the PO it is working to.

**Note 2:**

Notification to IAI supplier manager shall be in cases when the supplier has a PO from IAI.
In case when the PO originates with an IAI sub-tier, the notification shall be forwarded to the issuer of the PO, that will in turn forward it to IAI.

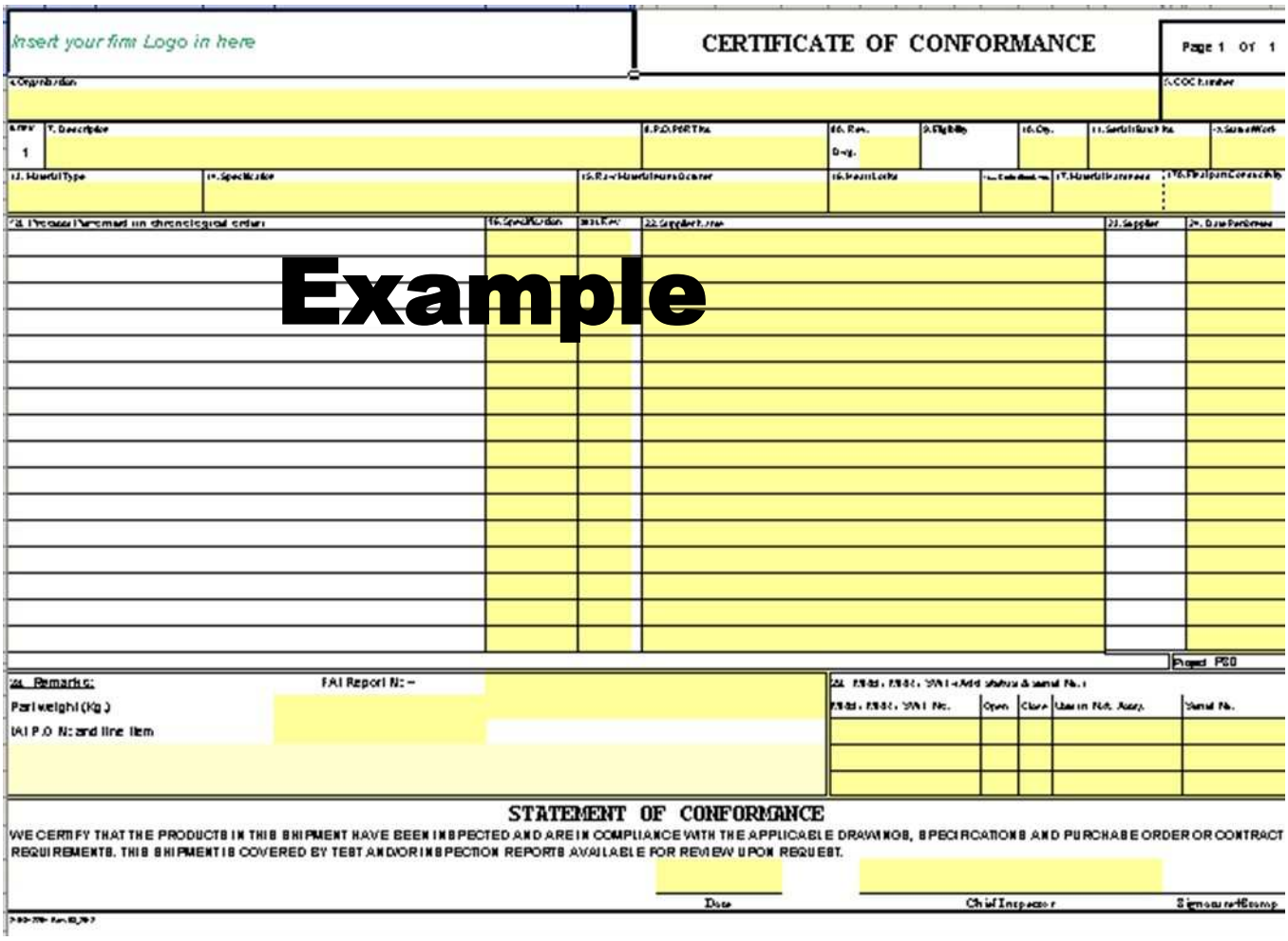
# Appendix A

## Shipping Documents

| | |
|---|---|
| 1 | Part Certificate of Compliance (COC) Including: |
| 1.1 | IAI and Manufacturer Part Number |
| 1.2 | Product Description |
| 1.3 | Serial Number (s) when applicable |
| 1.4 | MRB records (If applicable) |
| 1.5 | Material Certificates (as applicable for product) |
| 1.6 | Statement of Conformance to PO requirements |
| 1.7 | Authorized inspector signature and stamp, or Electronic stamp if meets requirement in Para. 21.1 |
| 2 | Airworthiness Tag (e.g. FAA / CAAI Form 8130-3, EASA Form 1) when required by PO or contract |
| 3 | Serviceability tag of the supplier |
| 4 | First Article Inspection (FAI) reports |
| 5 | Weight record (If required by PO). |
| 6 | Certificate of Test (COT). |
| 7 | Acceptance Test Procedure / Report (ATP /ATR). |
| 8 | Documentation related to open MRB's, including IAI authorization |
| 9 | Acceptance and Delivery Records |
| | A quality package comprising the following documents must be provided.<br>The acceptance and delivery records forms can be obtained in IAI Suppliers Website www.iai.co.il/suppliers. |
| 9.1 | Cover–Contents – QA Form 400-3-1423. |
| 9.2 | Fatigue and Fracture Critical Parts – QA Form 400-3-1425. |
| 9.3 | Loose or Ancillary Parts – QA Form 400-3-1426. |
| 9.4 | Incomplete Task Log (ITL) - Open Operations/Work to be Accomplished/Items Short – QA Form 375.10.03-001. |

| | |
|---|---|
| 9.5 | Test Results – QA Form 400-3-1427. |
| 9.6 | List of Non-conformances – QA Form 400-3-1428. |
| 9.7 | Serialized Items Installed – QA Form 400-3-1431. |
| 9.8 | Certificate of Compliance – QA Form 400-3-1305. |
| 9.9 | Declaration of Configuration – QA Form 400-3-1315 |

## Certificate of Conformance – QA Form 210-3-1226/1



# Appendix B

## Instructions for First Article Inspection- (FAI)

| | |
|---|---|
| 1 | **General requirements** |
| 1.1 | FAI shall be performed in accordance with requirements of AS9102 standard. |
| 1.2 | First article inspection shall be carried out on every new part following the definitions in AS9102 and para 12.1. This includes all primary items and assemblies that comprise the product delivered. |
| 1.3 | IAI FAI forms or FAI form as specified in AS9102 shall be used. IAI-AVG FAI forms can be found in IAI Suppliers Website. |
| 1.4 | FAI is to be repeated, partially or in full, due to: |
| • | Changes in products. |
| • | Changes in manufacturing process. |
| • | Change of production means (Such as Jigs & Tools). |
| • | Change in personal skills and experience. |
| • | Change of subcontractors performing special processes (such as Heat Treatment, coatings, non-destructive tests, etc.). |
| • | Change in production location (when location affects manufacturing) |
| • | Production recommencement after more than 2 years. |
| • | IAI request |
| 1.5 | A FAI report is incomplete until all discrepancies discovered during the FAI have been resolved. |
| 2 | **FAI Plan** |
| 2.1 | The supplier shall prepare a FAI plan, depending on the scope of production, or change in production. The plan shall be applicable to: |
| • | Primary Parts (structural, mechanical, electrical, avionics) |
| • | Assemblies and Sub-assemblies. |
| 2.2 | The FAI plan shall include: |
| • | Description of FAI activity (inspection method, weight control, part identification). |
| • | Forms in use. |

| | |
|---|---|
| • | Define Point of Contact (POC) responsible to notify IAI Purchasing & Logistics QA organization the status of FAI and to coordinate source inspection if required. |
| 2.3 | List of items intended for FAI shall include the following information |
| • | Manufacturer name. |
| • | Date of the inspection |
| • | FAI status (Complete / Partial FAI). |
| • | FAI report Number. |
| • | Part identification. |
| • | Define the method of FAI record retention and transferring FAI report to IAI. |
| 3 | **Source Inspection by IAI, Customer or Government Representative** |
| 3.1 | IAI Quality representatives, IAI customer representatives and government representatives have the right to participate in the FAI process and to verify the FAI. |
| 3.2 | Supplier notification (unless otherwise specified in the contract): |
| | Supplier must notify IAI Purchasing & Logistics Organization QA, at least 15 working days in advance, that parts are ready for FAI. |
| 3.3 | IAI Quality Management will determine on a case-by-case basis, prior to the FAI, whether presence is required at the FAI. |
| 4 | **Handling of an Item / Assembly Inspected at FAI** |
| 4.1 | The subcontractor shall: |
| | Attach a serviceable tag or COC to the article, with statement "First Article" and the first article report number. |
| 4.2 | The first article inspection report shall accompany the shipment of first article items delivered to IAI. |
| | An additional copy shall be retained with the manufacturing documentation |
| 4.3 | Upon IAI–AVG request the supplier shall send the FAI reports and data to IAI in digital format, via the supplier website or the ASN system. |

# Appendix C
# Handling of a Nonconforming Product

| | |
|---|---|
| 1 | The suppliers' authorization to MRB and the scope of such authorization, if any, are as defined in paragraph 16 of this document, with different applicability to BTS and BTP suppliers. |
| 2 | Unless otherwise required, supplier shall use the MRB QA form 383.10.01-004 to report all applicable non-conformities. The form can be found in IAI Suppliers Website |
| 3 | Use of "Standard Repair" is not authorized unless approved by IAI engineering, or it is incorporated in the applicable process specification. |
| 4 | Part must be marked with "MRB" and the MRB number, adjacent to the part number |
| 5 | Parts with open MRB - Parts requiring continuation of work in IAI. Parts should be identified with "a warning tag" and MRB sticker (Red sticker) should be affixed to the product. |
| 6 | The supplier shall provide a signed copy of the MRB, verifying implementation of the MRB disposition |

# Material Review (MR) – QA Form 383.10.01-004

## MATERIAL REVIEW (MR)

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | |
| PAGE | OF | | | | | | | MR No. (Supplier) |
| | | | | | | | | |
| Work Order/P.O. | Oper No. | QTY Ordered | MR QTY | Accept | Rework | Scrap | Dept. | MR No.(IAI) |

| | | | | | |
|---|---|---|---|---|---|
| | | | | | |
| PART NO. | PART NAME | DRAWING NO. | ISSUE | QTY/AC | PROJECT |

| | | |
|---|---|---|
| MANUFACTURER/ SUPPLIER | SERIAL NO. / BATCH NO. | PART DESCRIPTION (PART FUNCTION, NEXT ASSY). |

DETAILED DESCRIPTION OF DISCREPANCY

| | | | | |
|---|---|---|---|---|
| INSPECTOR | SIGNATURE | PRODUCTION MANAGER | SIGNATURE | DATE |

**BOARD DECISIONS (DISPOSITION & REPAIR METHOD).**

**ACCEPT**

REPAIR METHOD :

**REPAIR**

| | |
|---|---|
| ***CLASS I** ☐ **CLASS II** ☐ | |
| **MRB CLASSIFICATION** | |

ROOT CAUSE :

ROOT CAUSE CORRECTIVE ACTION :

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | | | CAUSE CODE | DISC. CODE |
| | QUALITY ASSURANCE | PRODUCTION ENG. | ENGINEERING | CUSTOMER REP. | *CAAI | |
| DATE | | | | | | |
| NAME | | | | | | |
| SIGNATURE | | | | | | |

REPAIR, ACCEPTANCE OR REJECTION CLEARANCE (Supplier):

| | | |
|---|---|---|
| --- | --- | --- |
| DATE | INSPECTOR | SIGNATURE |

ROOT CAUSE CORRECTIVE ACTION APPROVAL (IAI):

| | | |
|---|---|---|
| --- | --- | --- |
| DATE | QUALITY ASSURANCE | SIGNATURE |

* **CAAI APPROVAL FOR MRB CLASS I**

# Appendix D

## Quality Requirements for Suppliers of Non-BAA Countries

| | |
|---|---|
| 1 | **General Requirements** |
| 1.1 | All IAI suppliers from Non-BAA countries must comply with the requirements defined in AS9100 and additional requirements defined in this CAG 9000 document Section C. |
| 1.2 | Design control is not applicable at the supplier unless otherwise specified and specifically instructed. |
| 2 | **QM special Requirements for Suppliers in Non-BAA Countries** |
| 2.1 | Designated Areas for Manufacture of IAI Parts |
| 2.1.1 | The manufacturing of IAI parts, subassemblies and assemblies shall be made only in clearly identified areas, allowing access only for workers qualified to work on IAI products |
| 2.1.2 | The supplier shall describe all manufacturing areas, equipment used for IAI parts production, inspection and storage areas in detailed lay-outs |
| 2.1.3 | The storage of IAI raw materials, hardware and parts shall be physically separated and clearly identified. |
| 2.2 | Documentation |
| 2.2.1 | IAI Process Specifications (PS) |
| | Only IAI PSs shall be used by the supplier and its subcontractors. IAI applicable PS's shall be translated to the local language and validated both lingual and technically by IAI |
| | All applicable tags and forms shall be prepared and used in bilingual format. |
| | Upon request, Route Cards shall be checked and approved by IAI QM representatives. |
| 2.2.2 | IAI Authorized and Certified employees |
| | The supplier shall prepare and maintain a list of all authorized and certified employees involved in IAI special processes, with their qualifications. |
| 2.2.3 | Program Quality Plan |
| | The supplier shall prepare a Program Quality Plan (PQP) describing how goods sent to IAI shall be managed. The PQP shall include the requirements specified in this document and purchase order / contract requirements. The PQP shall be approved by supplier Quality Manager and submitted to IAI for approval. Changes in PQP shall require IAI re-approval |
| 2.2.4 | QM Procedures |
| | The supplier shall maintain a list of all QM procedures applicable for the IAI program. |

# Appendix E
# Suppliers rating system – Information Only

Supplier's performance shall be evaluated and monitored.

IAI uses the SAP system to rate supplier performance, based on the weighted ratings of the following criteria:

- QA Score- 40% of Total Score
- Deliveries Score- 40% of Total Score
- Responsiveness Score- 20% of Total Score

Definitions:

QA Score – an index covering all evaluation components based on the reports accumulated in the SAP system.

Deliveries Score – an indicator of supplier meeting supply schedule goals as agreed under the order, based on the reports accumulated in the SAP system.

Responsiveness Score – 10% subjective assessment by the P&L Supplier Manager and 10% response on time to UR (unsatisfactory Report) as reported in SAP system

Reporting Period – a period of 12 calendar months for which supplier's performance is rated monthly.

Rating levels:

Three rating levels exist:

a. SAT (Satisfactory) - for suppliers rated 95% or higher.

b. NTI (Needs to Improve) - for suppliers rated 90% to 95% (non-inclusive).

c. UNSAT (Unsatisfactory) -for suppliers rated less than 90%.

These rating levels shall apply to all of the aspects evaluated (QA Score, Deliveries Score, Responsiveness Score) as well as for the Total Score.

IAI-AVG may also use a supplemental Report Card to further define Customer Satisfaction and expectations of Supplier.

**מעקב מהות העדכון/ שינוי** **Amendments/Changes**

| תאריך תחולה<br>Application Date | יוזם<br>Initiator | מהות השינוי<br>Change Essence | מס' דף<br>Page No. |
|---|---|---|---|
| 1/2017 | מנהל ספקים<br>Suppliers Manager | טבלה 1, Sec. B סעיף 1, Sec. C סעיפים 3.7, 4.3. 9, 1,8.1, 10.1 , 14.4(3), הוספת נספח E<br>Table 1, Sec. B Para 1, Sec. C Para 3.7, 9.4.3, 1.8.1, 10.1, 14.4.(3), Added Appendix E | כל המסמך<br>All Doc. |
| 10/2017 | מנהל ספקים<br>Suppliers Manager | סעיף 18.4: הוספת אפשרות שימוש במערכת MRB אלקטרונית<br>Para 18.4 added: or use IAI Electronic MRB System. | עמוד 20<br>Page 20 |
| 9/2018 | רמ"נ ניהול איכות חטכ"א<br>CAG Quality Management Director | התאמה לתקן AS9100 Rev. D<br>Section A, 1.3, Section B 1.1, 1.2<br>Comply with AS9100 Rev .D<br>Section A, 1.3, Section B 1.1, 1.2 | עמודים 10,11,12,13, 16,19,20,22 3,7<br>Pages 10,11,12,13, 16,19,20,22 3,7 |
| 9/2020 | ויקטור שונברגר<br>Victor Schonberger | התאמה לנוהלי ניהול האיכות חטיבת תעופה<br>Updated to conform AVG Quality Procedures | כל המסמך<br>Entire Document |