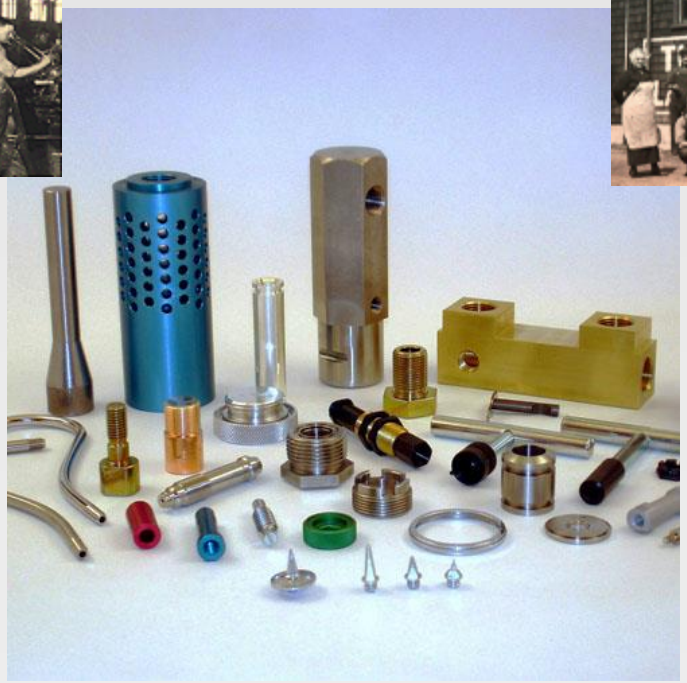
F.C. PHILLIPS QUALITY MANUAL AS9100C ISO 9001:2008

SERVING INDUSTRY

SINCE 1911



Company Background

Founded in 1911, F.C. Phillips Inc. remains a privately owned family business. Occupying 45,000 sq. ft., the facility has remained located at 471 Washington Street Stoughton Massachusetts. The company has 60 screw machines, a large well equipped Secondary operations department and other specialized equipment. The work force has fluctuated with historic and economic times but currently remains stable at 24 full time employees working one shift with overtime when warranted. The company has a newly renovated inspection department that is staffed by a Quality Manager and one inspector. The company does all manufacturing in house but does subcontract special processes such as plating and heat treating to approved suppliers. In December of 2009 F.C.Phillips became certified to both Quality Standards AS9100C and ISO 9001:2008. We are proud to have achieved this combined distinction. Our intent is to demonstrate commitment to our customers with a goal of continuous improvement.

Exclusions

The company takes exclusions for both design and service.

7.3 Design – all product is purchased or manufactured to customer specification

7.5.1.4 Service – F.C. Phillips does not perform or provide product service

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Responsibilities for changes to the Quality Manual lie with the **General Manager**. The Management Representative can have input and initiate changes determined to be necessary for maintaining the effectiveness and integrity of the QMS. Actual manual editing is done by the Quality Manager.

Change History		
REV.	**Date**	*Description of Changes*
2	11/12/09	Complete Re-write
3	05/11/10	Re-did manual to make index more readable, para 6.6 was rewritten to add an explanation about special situations that may affect calibration due dates. 7.2.2 reference to A9101 format added
4	06/12/11	Revised for AS9100C
5	11/05/12	Added statement of manual responsibility
6	11/11/16	Edited document and updated organizational chart
7	1/20/17	Plant Superintendent and Assistant Plant Superintendent have been replaced in the document with General Manager and Assistant General Manager. Org. chart was also updated including changes above.
8	1/30/17	Updated org. chart to reflect line of authority from general manager to shop staff.
Approvals		
Craig Snow, President		**Jan 21, 2017**

Terms & Definitions:
In the interest of clarity and continuity, terms and definitions used in this document will be the same as those defined in both ISO9001 and AS9100C. If in doubt, refer to section 3 of the standard.

3.0 QUALITY MANAGEMENT SYSTEM

Introduction

Quality product is the highest priority at F.C. Phillips, Inc. Our goal is complete customer satisfaction, to this end: we adopted and implemented a comprehensive quality system. We realize a structured system is necessary to manage and control quality. Our quality system meets the requirements of AS9100C. The purpose of this manual is to define and document the structure of the quality system and its essential elements. Its basic structure is consistent with the structure of AS9100C. Each section of the manual corresponds with the appropriate section of the standard and includes the requirements of that section.

3.1 General Requirements for the Quality System

In order to meet the requirements of the standard, and to ensure quality, we have established, implemented and documented a comprehensive quality management system. We are committed to continually improving our performance using this system and have identified processes needed for its successful application of this system throughout the company. We have:

- Determined the sequences and interaction of these processes,
- Determined criteria and methods needed to ensure that both the operation and control of these processes are effective,
- Ensure to the availability of resources and information necessary to support the operation and monitoring of these processes,
- Monitored, measured and analyzed these processes,
- Implemented actions necessary to achieve planned results and continual improvement of these processes.

We manage processes in accordance to the stated standards and any regulatory requirements that may apply. When certain processes are out-sourced, ex: plating, finishing, secondary machining, grinding, these processes are controlled as part of the configuration and project management processes, using the customers flow down requirements, print specifications, purchasing procedure, approved suppliers, receiving inspection and suppliers certificate of conformance and certified test reports.

3.2 Documentation Requirements

3.2.1 General

Our quality management system includes the following documentation:

- statements of a quality policy and quality objectives
- the quality manual
- documented procedures which include
    1. Quoting and sales
    2. Purchasing
    3. Production
    4. Document Control
    5. Control of Records
    6. Internal Audits
    7. Management review
    8. Non conforming Product
    9. Corrective Action
    10. Preventive Action
    11. Calibration
    12. Training
    13. Maintenance

Procedures are available online for viewing by all F.C. Phillips employees in the public folder. They are write protected to prohibit unauthorized changes.

(Document Control Procedure)

3.2.2 Quality Manual

This quality manual includes the scope of the quality system plus any exclusions and their justification and reference to lower level procedures and a description of the interaction between key processes and the standard. The scope of the quality system defines what activities and locations are applicable under the system.

3.2.2.1 Scope: The supply of manufacturing services to Commercial, Military and Aerospace Industries.

We exclude the following sections of the standards

7.5 Design – all product is purchased or manufactured to customer specification

7.5.1.4 Service – F.C. Phillips does not perform or provide product service.

3.2.3 Control of Documents

F.C. Phillips has created a written procedure governing document control. The procedure ensures we control all documents required by our quality management system. These controls ensure that we:

* approve documents prior to use
* review, update and re-approve documents periodically
* identify changes to documents
* identify the current revisions status of documents
* make documents available when needed
* ensure documents are legible and identifiable
* identify documents of external origin and control the distribution
* identify, and segregate any retained obsolete documents to prevent their unintended use.

3.2.4 Control of Records

We record information throughout the company to provide evidence of conformity to the quality system and to the standards. Our records are legible, identifiable, retrievable, and protected from loss. We have a documented procedure governing the identification, storage, protection, retrieval, retention and disposition of records. We also specify and ensure:

* That documents be retained by suppliers for the duration of time defined
* Our customers and regulatory bodies have right of access to records

(3.1.1 thru 3.1.3 covered in the Document Control Procedure)

4.0 Management Responsibility

4.1 Management Commitment

We are committed to developing and implementing the quality management system and to continually improving its effectiveness. To do this we:

- communicate the importance of meeting customer, statutory and regulatory requirements to our employees
- establish a quality policy and quality objectives
- conduct management review at least once annually
- ensure the availability of resources

4.2 Customer Focus

Through risk assessment and configuration management, the organization determines customer requirements to ensure we meet those requirements to consistently achieve customer satisfaction. Using project management we identify customers' requirements during the sales risk assessment, planning and purchasing process. Responsibility for these processes lies with the estimator. The preventive actions and verification process methods are determined by the general manager and by promptly addressing customer complaints via the corrective action process. The organization will also develop tools to actively gather customer feedback and to include this information as part of Management Review

4.3 Quality Policy

Top Management defines a quality policy that:

- is appropriate to the purpose and scope of the organization
- commits to complying with customer requirements
- commits to continually improving the effectiveness of the quality management system
- provides a framework for establishing and reviewing quality objectives
- is communicated and understood throughout the organization and periodically reviewed for suitability.

Our Quality Policy is:

The Management and Employees of F.C. Phillip, Inc. are committed to providing our customers products and service of the highest quality at competitive prices. We strive to be the supplier of choice on which our customers can rely for precision, price and promptness. We pledge to achieve these goals by:

- asking and hearing from our customers as well as other information sources so that we will know how we are doing in meeting their needs for prompt quote response, quality of product, prices, service and delivery.
- making sure we understand what our customers need through communication from our offices and sales staff.
- reviewing our Quality Management system at scheduled intervals to survey how we are measuring up to the standards and to identify areas of performance improvement and meet or exceed our goals.

4.4 Planning

4.4.1 Quality Objectives

Top management defines quality objectives that are measurable and consistent with the quality policy. This includes objectives relating to product requirements. Top management establishes these objectives at relevant functions and levels within the company. They are documented in our management review and are posted in the facility.

4.4.2 Quality Management System Planning

Top Management plans the nature and structure of our quality system so that it meets the requirements of this manual, of AS9100C/ISO 9001,and our quality objectives. We also plan changes to the quality system in such a way that its integrity and effectiveness is preserved. Our management review process and AS9100C/ISO 9001 implementation are the primary mechanism for doing this.

4.5 Responsibility, Authority and Communication

4.5.1 Responsibility and Authority

Top management defines and communicates the various responsibilities and authorities of employees within the organization. Specific responsibilities and authorities are defined in job descriptions and the organizational chart.

4.5.2 Management Representative

Top management has given the responsibility and authority of the Management Representative to the Quality Manager. The Management Representative ensures the establishment, and implementation of the processes needed for the quality management system and that they are followed and maintained. The Management Representative also reports to top management on the performance of the quality management system and any need for improvement. The Management Representative promotes the awareness of customer requirements throughout the company. The management representative has the freedom to resolve all quality related matters.

4.5.3 Internal Communication

Top Management establishes processes so that communication takes place regarding the effectiveness of the quality management system. This is accomplished through training, meetings and by posting information on company bulletin boards.

4.6 Management Review

4.6.1 General

Top Management periodically assesses opportunities for improvement and any need for changes to the quality system, quality policy or quality objectives. Records of management reviews are retained. Management Review must be held at a minimum of once a year. F.C. Phillips performs management review twice yearly.

4.6.2 Review Input

Our management reviews will include information on:

- audit results
- customer feedback
- supplier performance
- process performance and product conformity
- status of previous management reviews
- changes that could affect the quality management system
- recommendations for improvement
- infrastructure and improvements

4.6.3 Review Output

Our management review output includes any decisions and actions related to:

- improvement of the effectiveness of the quality management system and its processes

- improvement of product related to customer requirements
- resource needs
- quality objectives

Related Procedure (s) Management Review)

5.0 Resource Management

5.1 Provision of Resources

We determine and provide the resources necessary to implement and maintain the quality system and to continually improve its effectiveness. We also provide the resources needed to enhance customer satisfaction by determining and meeting customer requirements. This also applies to human resources, infrastructure and work environment.

5.2 Human Resources

5.2.1 General

We will ensure that any employee who performs work affecting product is competent on the basis of education, training, skills and experience.

5.2.2 Competence, Awareness and Training

We will ensure that our workforce is well trained and competent. We determine the necessary competence and provide training or take other actions to achieve competence. We evaluate the effectiveness of our training or other actions. We maintain records of education, training, experience and skills in order to demonstrate competence.
We train our employees so they are aware of the relevance and importance of their activities and how they contribute to the achievement of the quality objectives

Related Procedures (s)
(Training)

5.3 Infrastructure

We determine, provide and maintain the infrastructure necessary to achieve quality requirements. This includes buildings, workspace, utilities, process equipment and software. It also includes such supporting services as transport or communication.

5.4 Work Environment

We determine and establish the work environment necessary to achieve quality results and ensure that it is maintained**.** Where applicable, the environment will be controlled where product quality and verification can be affected.

Related Procedure
(Maintenance Procedure, Management Review)

6.0 Product Realization

6.1 Planning of Product Realization

We plan and develop the processes needed to successfully provide customer products and services. Our planning is consistent with our quality system and procedures.
When considering what is necessary to provide our products and services, we will determine:

- any potential risk that impede product realization
- quality objectives and requirements for the product
- any needed processes, documents or resources
- any required verification, validation, monitoring, inspection or test activities
- criteria for product acceptance and records needed to provide evidence that the product meets requirements as defined by the customer or our needs.

6.1.1. Project Management

The organization will take appropriate actions to plan and manage product realization in a controlled structured manner including out sourced processes.
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6.1.1 Project management including Risk Assessment and Configuration Management

Project management is accomplished in a structured manner which includes risk assessment, configuration management and production routers. The product realization planning processes is a critical step of the configuration management process. Starting at quote request receipt, through purchasing, planning and verification all is done in conjunction with customer drawings, flow down requirements, F.C. Phillips Quality plans, when required (Aero/Space), applicable procedures and only approved suppliers. Responsibilities are specified in the individual procedures.

6.2 Customer Related Processes

6.2.1 Determination of Requirements Related to the Product

When considering providing a product or service, we determine customer requirements. This includes requirements specified by the customer, including any relating to delivery. We consider implied requirements where they are known. We also consider any requirements imposed on us by regulation or that we impose on ourselves. We make sure

all purchase order requirements, specifications and special processes requiring outside service are flowed down throughout the planning and manufacturing processes and to applicable approved suppliers.

Related Procedure (s)

(Sales, Purchasing, Production & Inspection)

6.2.2 Review of Requirements Related to the Product

Prior to taking an order or providing a quote, we review the requirements relating to the product or service in question. This review ensures that:

- product requirements are defined
- any deviations from the customer's request/requirements are resolved
- that we can meet the customers requirements, and
- any risks affecting the product, processes or supply
- also all processes deemed "frozen" by customer

We record the results of the review and any associated actions.
In cases where orders are given to us verbally, we read the order back to the customer prior to final order acceptance. In cases where orders change after they are accepted, we update our order documentation /information and communicate changes to relevant personnel within the company.

6.2.3 Customer Communication

We determine the necessary customer communication arrangements and ensure that they are implemented. This includes information relating to products, inquiries, contracts, orders, order changes, feedback, customer complaints and resolution.

6.3 Purchasing

6.3.1 Purchasing Process

We control our suppliers and the purchased product or service so that it conforms to specific requirements. Types of control include: purchase order, customer flow down and frozen process requirements. Written instructions regarding process required and any documentation supplier must provide. We evaluate and select suppliers based on their ability to meet our product requirements. We establish criteria for selecting, evaluating and re-evaluating suppliers which will include:

- Customer mandated supplier
- Maintaining a log of approved suppliers that included the scope of their approval

- Periodically reviewing supplier performance, maintaining records and reviewing these records at management review
- Re-approval will be based on these reviews
- Disapproval will be discussed at management review
- The VP and management representative have authority to approve or disapprove suppliers.

We record the evaluation results and any necessary actions.

Related Procedure (s)
Management review, Purchasing

6.3.2 Purchasing Information

Our purchasing information adequately describes the product to be purchased, including:

- any requirements for approval of product, procedures, processes and equipment
- requirements for qualification of personnel
- quality management system requirements
- the identification of prints, specs and instructions
- inspection and test requirements
- any requirements for sample pieces
- information will also include requirements for the supplier to:
    - Notify F.C. Phillips of nonconformities
    - For F.C. Phillips to authorize any nonconforming product based on customer approval (F.C. Phillips has no MRB authority)
    - notify F.C. Phillips of any product specifications
    - permit F.C. Phillips, its customers and regulatory authority right of access
    - to flow down any requirements from F.C. Phillips to its sub-contractors
    - records retention requirements

* Supplier requirements are located on company web site for supplier review*

We review and approve specific purchase requirements prior to communicating them to the supplier.

Related Procedure (s)
Purchasing

6.3.3 Verification of Purchased Product

F.C. Phillips, Inc. has established inspection and verification activities needed to ensure that purchased products and services meet their specified purchasing requirements. Such activities include:

- receiving verification
- incoming quality inspections, and
- review of supplied test reports or certificates demonstrating conformity.

Product is not used or processed until it has been verified accordingly, unless under positive recall, which is achieved with lot control identification of the associated parts. In cases where test reports or certifications are used to verify product, the relevant data is reviewed to ensure it demonstrates product acceptability relative to applicable specifications. When verification activities are delegated to suppliers, F.C. Phillips, Inc. will maintain a list of suppliers to whom such delegations have been made, and what the verification activities consist of as required by contract. F.C. Phillips customers are afforded the right to verify subcontracted product conformity at the suppliers' premises. Verification by customers is not evidence of effective control of supplier quality, and does not absolve F.C. Phillips of the responsibility to provide acceptable product, nor does it preclude subsequent rejection by the customer.

6.4 Production and Service Provision

6.4.1 Control of Production and Service Provision

We pick, inspect and package products and serve our customers under controlled conditions. As part of our controls, we plan operations to include, where applicable:

- the establishment of process controls and control plans to include key characteristics
- the establishment of in process verification points if verification cannot be performed at a later stage
- to verify measurements and key characteristics with:
- suitable equipment, monitoring and measuring devices
- monitoring and measurement processes
- release, delivery and post delivery processes
- accountability for all product from receipt to delivery
- evidence of all manufacturing and inspection operations
- provisions for elimination or removing all foreign objects, and
- criteria for workmanship

7.5.1.4 Sections omitted

Related Procedure (s)
Production, Inspection

6.4.2 Validation of Processes for Production and Service Provision

(*Currently there are no special processes in use at F.C.Phillips Inc. See page one 7.5.2 of this manual for further clarification. Special processes are controlled by F.C. Phillips but subcontracted.*)

6.4.3 Identification and Traceability

Provisions for product identification and traceability are resident in procedures where product is encountered or arranged. Accordingly, such provisions ensure that the product configuration is identified as appropriate and traceability is maintained as required and that product is identified with respect to its inspection /verification status. Traceability identification is maintained throughout the products lifecycle, product identification is maintained accordingly to the traceable unit of raw materials, the designation of all product from the same batch is maintained, the identity of components of assemblies are maintained to the next higher assembly to be traced, and a sequential record of any traceable product.

6.4.4 Customer Property

We carefully control customer property while it is under our care. When customers provide materials for incorporation into the product, we identify, verify, protect and safeguard it to prevent loss or misuse. If customer property is lost, damaged or otherwise unsuitable, we report the situation to the customer and keep suitable records.

Related Procedure (s)
Purchasing, Corrective Action,
Prod: equip., tools, programs, validation, preservation and storage.

6.4.5 Preservation of Product

We identify, handle, package, store and protect product and its constituent parts throughout internal processing and delivery so quality requirements are met. Preservation provisions also apply to constituent parts of product, as well as to any reports, certificates, export documentation, or other documentation contractually required to accompany product to its destination. Specific preservation requirements relevant to outsourced activities, where they exist, are captured in receiving documentation. Preservation of product includes, as applicable, cleaning of product, the preservation, detection and removal of foreign objects, special handling for sensitive products, marking and labeling including safety warnings, shelf life control and stock rotation according to first in first out methods and data backups.

Related Procedure (s)
Production

6.5 Control of Monitoring and Measuring Devices

We consider the inspections and monitoring conducted at the company and determine the monitoring and measuring method and devices needed to conduct those actions. We establish processes to ensure inspection and monitoring are carried out in a way that is accurate, capable and verifiable. We use a log to identify calibrated inspection, monitoring devices by type, I.D. number and location. The log also identifies due dates for calibration. Devices are not used past their calibration expiration date. If gage is unique to a specific part or the only one and the calibration due date for that gage comes during run of the part use may be continued until first opportunity arises to send gage out

for calibration. Parts produced after the due date with this gage will be segregated until verification that gage was in tolerance are proven. We calibrate or verify our measurement equipment at regular intervals, or as used, to nationally traceable standards. In cases where no such standard exist, the basis used for calibration is recorded. We record the results of calibration and verification. Our inspection and measurement equipment is:

- adjusted or readjusted as necessary to maintain its accuracy
- identified to enable the calibration status to be determined
- safeguarded from adjustments that would invalidate the measurement results
- protected from damage and deterioration during handling, maintenance and storage
- is recalled and handled as identified in our calibration and non conformance procedure

If inspection or monitoring equipment is determined to be nonconforming, we attempt to ascertain when the device became suspect, identify and segregate product affected and assess and record the validity of measurements taken using that equipment. We ensure the equipment is removed from service until it is repaired. Any adversely affected product is subject to nonconforming product procedures. If any such product was delivered then customers would be notified. If software is used in the monitoring and measurement of products and processes, its ability to satisfy the intended application is confirmed. This is done prior to initial use and re- confirmed as necessary.

Related Procedure (s)
Calibration, non-conformance

7.0 Measurement Analysis and Improvement

7.1 General

We plan and implement the monitoring, measurement, analysis and improvement processes that are necessary to operate the business. These include processes necessary to demonstrate conformity of the product. It also includes processes necessary to ensure conformity of the quality management system and to continually improve its effectiveness. We determine appropriate methods including statistical techniques and the extent of their use.

7.2 Monitoring and Measurement

7.2.1 Customer satisfaction

As one of the measurements of the performance of the quality management system, we monitor customer satisfaction. We monitor our customers' perception as to whether we have met their requirements. Our processes define the method for obtaining and using this information.

Related Procedure (s)

7.2.2 Internal Audit

F.C. Phillips, Inc. performs its own internal audits. F.C. Phillips internal auditors were formally trained by a third party trainer or training materials. Audits are carried out at planned intervals to ensure that our quality system is effectively implemented and operating in accordance with the standards, our own procedures and our quality system requirements. The quality/inspection functions are audited by an auditor independent of these functions. Audits are scheduled on a quarterly basis. We consider the status and importance of the area being audited and the results of previous audits. We define the audit criteria, scope, frequency, responsibilities and requirements. Reporting and recording methods according to our documented procedure. The organization uses the AS9101 format to develop its audit tools. We act without undue delay to eliminate nonconformities detected during audits and their causes. We verify the actions taken and report the verification results. Audit results will be measured and reviewed at management review. We will ensure that internal audits meet the requirements of the standard, our customers and regulatory bodies.

7.2.3 Monitoring and Measurement of Processes

We monitor and measure the various processes used within the quality system using suitable methods. This monitoring process ensures our processes are sufficient to meet quality requirements. If a process is not working properly, we will take corrective action as appropriate in order to ensure process and product quality. This will also include:

- taking the appropriate steps to correct the non-conforming process
- evaluating whether the non-conformity has resulted in non-conforming product
- identifying the non -conforming product

7.2.4 Monitoring and Measurement of Product

Prior to release, F.C. Phillips monitors and measures product characteristics to verify that product requirements are fulfilled. Such monitoring and measurement activities are carried out at appropriate stages of product realization and in accordance with planned arrangements. Provisions in the purchasing procedure ensure that when key or critical characteristics have been identified, that they are monitored and controlled through the receiving process. When sampling inspections are used as a means of product acceptance, sampling plans are verified to be statistically valid and appropriate for use before being implemented. Such plans precede the acceptance of lots whose samples have known non-conformities. Such plans are submitted for customer approval, as required.

Product is not shipped until it has been inspected or otherwise verified as conforming to specified requirements, unless under positive recall. Product release does not proceed until all planned arrangements have been satisfactorily completed, unless otherwise approved by a relevant authority, and where applicable by the customer. Evidence of conformity with acceptance criteria is maintained in inspection records.

7.2.4.1 Inspection Documentation

Measurement requirements for product acceptance are documented on the routers which contain or reference blueprints, set up sheets and First Article requirements. See the production procedure which describes inspection documentation /records generated during the receiving process, including Q.C. log entries. Provisions relating to inspection, documentation in the above procedures ensures that criteria for acceptance and/or rejection are established, the sequence of measurement, testing, or other verification activities are identified, verification results are recorded, and the type of measurement equipment and specific instructions for their use are supplied, as appropriate. Quality plans, first article reports, and in process inspections, or control charts (if required) display actual measurement results. Certificates of Conformance are completed by Quality personnel, as required by customers (per p.o./per router).

When required to demonstrate product qualifications, the Q.C. Manager ensures that records provide evidence that product meets defined requirements. Such records include Routers, First Article reports, Control Charts, QC logs, C of C's and CRT's.

7.2.4.2 First Article Inspection

First Article Inspection is carried out in accordance with quality planning, both at receiving for any outsourced processing and during production.

Related Procedure (s)
Purchasing, Production

7.3 Control of Nonconforming Product

We identify and control nonconforming product in accordance with a documented procedure so that we do not inadvertently use or distribute it. Authorized personnel will disposition non-conforming product by one or more of the following:

- taking action to eliminate the nonconformity
- authorization its use under concession by the appropriate authority (the customer)
- taking action to preclude its original intended use or application
- scrap components for aerospace customers will be physically destroyed to prevent unintended use (or inappropriate appropriation)

We record the nature of the non-conformity, any subsequent actions and any concessions. If non-conforming product is repaired or reworked, it is subject to re inspection so that it meets quality requirements. If non-conforming product is detected after delivery or use, we take action appropriate to the severity of the situation. In addition to any contractual or regulatory requirements, F.C. Phillips, Inc. will provide for timely reporting of delivered non-conforming product on any nature. Such notifications shall include a clear description of the non-conformity, the non-conforming part numbers their quantity and dates delivered.

Related Procedure (s)
Nonconforming Product

7.4 Analysis of Data

We determine, collect and analysis appropriate data about our company's performance. We do so to measure the suitability and effectiveness of the quality system and to evaluate opportunities for improving its effectiveness. Our sources of information may include monitoring, measurement or any other relevant source.
The data includes information relating to customer satisfaction, product conformity, process conformity and suppliers. Other information may also be analysis. We will consider trends in the data and opportunities for preventive action.

Related Procedure (s)
Management Review

7.5 Improvement

7.5.1 Continual Improvement

We continually strive to improve our quality systems effectiveness using the quality policy, objectives, audit results, data analysis, C.A /P.A. and Management Review.

Related Procedures (s)
Management Review

7.5.2 Corrective Action

We act to eliminate the cause of any quality problems that occur within the company in accordance with a documented procedure. When determining actions, we will consider the severity of the non-conformances and their effects.
Our procedure will ensure that we:

- review non-conformities (including customer complaints)
- determine the root cause of non-conformities
- evaluate the need for action so that non-conformities do not recur
- determine and implement needed actions
- record the results of actions taken
- review corrective and preventive action taken
- flow down corrective action requirements to the supplier when the supplier is responsible for the non-conformance and root cause and
- review time taken and effectiveness of actions taken

Related Procedure (s)
Corrective Action

7.5.3 Preventive Action

We handle preventive actions in accordance with a documented procedure. We determine potential non-conformities and actions necessary to prevent their occurrence. When determining actions, we consider the effects of the potential problem. Our procedures ensure that we:

- determine potential non-conformities and their causes
- evaluate the need for action to prevent the occurrence of non-conformities
- determine and implement needed actions
- record the results of the actions taken and
- review preventive action taken

Related Procedure(s)
Corrective Action

8.0 Control of Work Transferred, on a Temporary Basis Outside The Organizations Facilities

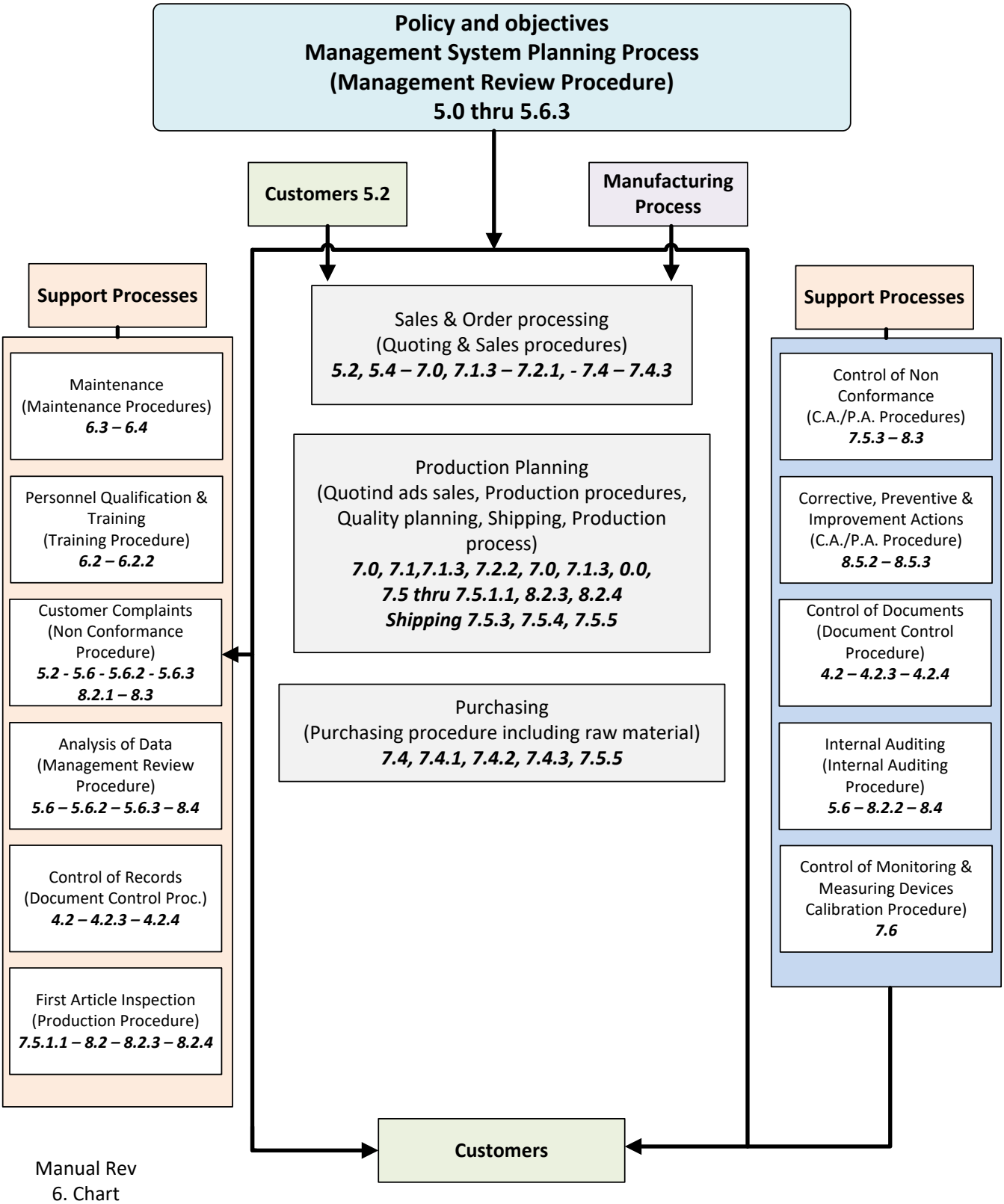
If due to a catastrophic event, be it an act of god, nature or critical equipment failure then F.C. Phillips, Inc. would need to negotiate with its customers the acceptable parameters for transfer of work. First, the company would need to determine the length of time the facility or equipment would be off line, the subcontractor to be used, and the subcontractors understanding that they use F.C. Phillips production plans, quality plans and approved service providers. The company would also need to negotiate with the customer, the question of need for first article submissions, or not, since product would be manufactured using F.C. Phillips production plans, quality plans, and approved suppliers. F.C. Phillips is ultimately responsible for product conformity to requirements and delivery! It should also be determined if extensions for delivery due dates need to be negotiated.

If an approved supplier should go "off line" for an indefinite amount of time, then F.C. Phillips should contact the customer and ask for guidance regarding the matter. The customer may have another approved supplier. If not, then an alternative supplier must be found and approved using the appropriate approval method. Example: surveys or site audit. The supplier must agree to F.C. Phillips "Terms for Doing Business" which mirrors the requirements of the standard including right of access, records retention and ability to provide any required documentation.

8.1 Control of Work Transferred, on a Temporary Basis Outside The Organizations Facility

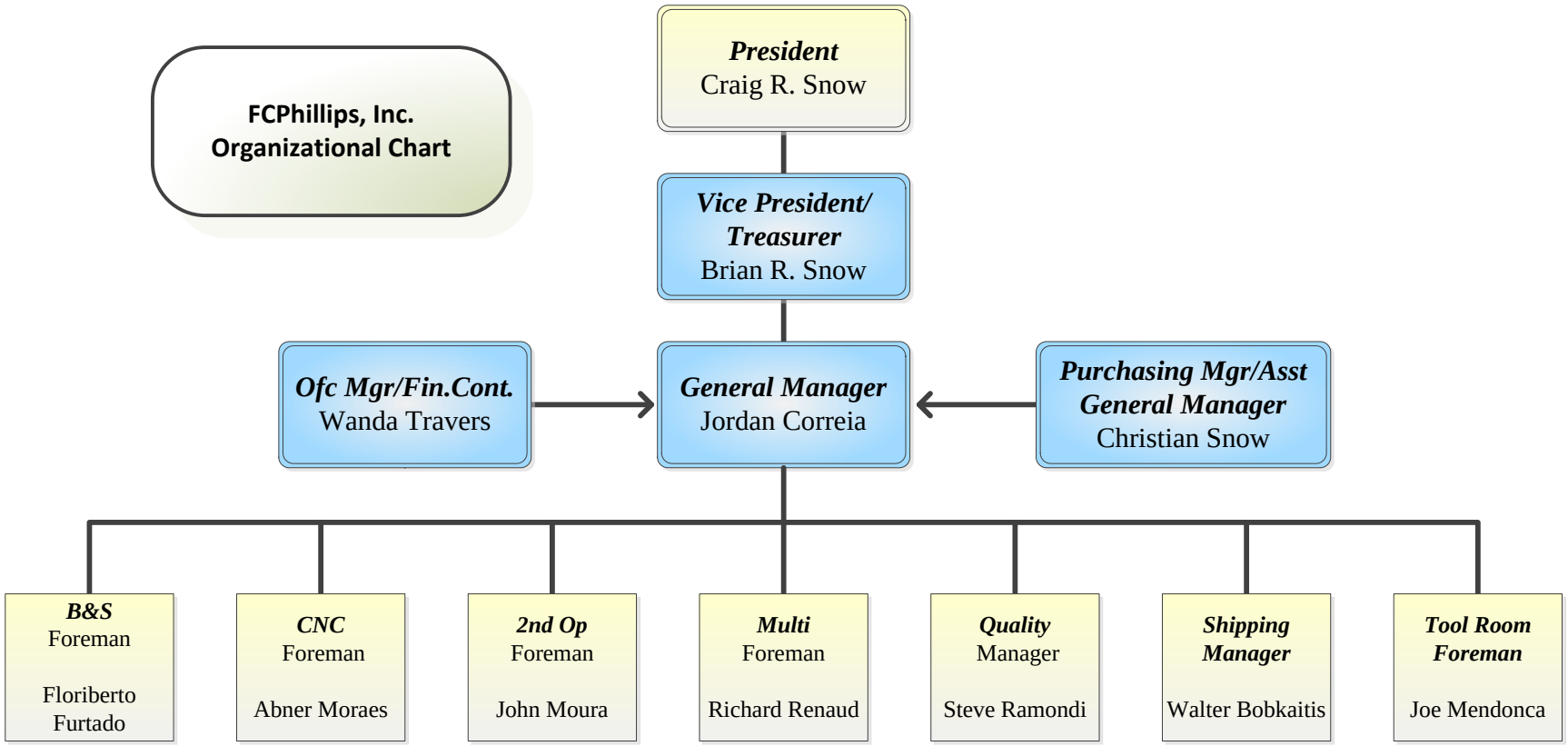
The only scenario that would warrant a permanent transfer of work outside the organizations facility would be the total loss of the plant and its

equipment. Such an occurrence would result in the probable permanent closure of F.C. Phillips, Inc.



Manual Rev 6. Chart revision 2

Quality System Requirements & Procedures Interaction


FCPhillips, Inc.
Organizational Chart
President
Craig R. Snow
Vice President/
Treasurer
Brian R. Snow
Ofc Mgr/Fin.Cont.
Wanda Travers
General Manager
Jordan Correia
Purchasing Mgr/Asst
General Manager
Christian Snow
B&S
Foreman
Floriberto
Furtado
CNC
Foreman
Abner Moraes
2nd Op
Foreman
John Moura
Multi
Foreman
Richard Renaud
Quality
Manager
Steve Ramondi
Shipping
Manager
Walter Bobkaitis
Tool Room
Foreman
Joe Mendonca