AC 00-56B, Voluntary Industry Distributor Accreditation Program

Comments on the Proposed Revisions to the Advisory Circular

Submitted to the Federal Aviation Administration by email to Robert.CTR.McDonald@faa.gov

Submitted by the

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January 4, 2015

Robert McDonald
1625 K Street NW
Suite 300
Washington, DC 20006Dear Ms. LaShells:

Please accept these comments in response to Voluntary Industry Distributor Accreditation Program, DRAFT Advisory Circular 00-56B, which was published for public comment on the FAA's "Draft Advisory Circulars (ACs) Open for Comment" webpage.

A Table of Contents is included to assist you in your review of these comments.

Table of Contents

Preliminary Notes

Please note that throughout this document we use terminology in the way that it is used in the AC 00-56 documents. There are other contexts in which the same terminology may have a different meaning. One such term is “Accreditation Organization,” which has a different meaning in an ISO context. We wanted to clarify this point in order to avoid confusion.

Comments

Comments of General Applicability - Procedures and Processes

It is normal for companies to distinguish between procedures and processes. The FAA does not have clear definitions of these two terms and therefore industry connotations tend to drive the distinction between them.

The usage of these two terms is not perfectly uniform, but generally, a process defines what needs to be done and which roles are involved (thus a process may involve multiple departments and their interactions), while a procedure defines the steps involved in accomplishing a task and usually only applies to a single role. In some cases, processes may be preferable to procedures in implementing quality system goals found in AC 00-56B.

Generally, a written process or a written procedure would equally serve the FAA’s goals in AC 00-56B. So there is no need for the FAA to prefer one over the other.

Therefore we recommend changing the word “procedures” to “processes or procedures” throughout this document.

Comments of General Applicability – "TC'd"

We recommend spelling out the term "type certificated" instead of using the abbreviation "TCed."

Although oral use of this abbreviation is common enough among industry insiders, the abbreviation TC'd may not be an abbreviation with which everyone is familiar. Using this jargon undermines the utility of AC 00-56, which has always been a document that a new market-entrant could use in order to build an effective distribution system.

It is worth noting that abbreviation "TC'd" is not specifically defined in the AC 00-56B draft (only "TC" is defined). If the FAA chooses to keep this jargon, then it ought to specifically define the abbreviation, which might not be connected to the term "TC" by a new market-entrant.

Comments of General Applicability – The "EN" standard

Several sections reference EN9129. There is no such standard.

The European standard for pass-through distributors is EN9120. This reference should be corrected throughout the document.

Section 2 - Cancellation

This section makes AC 00-56B immediately effective when it is published. It also cancels AC 00-56A immediately upon the effective date. This is impractical for an advisory circular that is the driving force behind an ongoing program, and we therefore recommend a transition period of 90 days.

Companies that are newly seeking accreditation will have been developing a system to meet AC 00-56A. They may have no actual prior notice of the final terms of AC 00-56B before the publication date, and even if they do it can be impossible for the private sector to predict when a new advisory circular will be published. The FAA does not provide a hard deadline date on which an AC will be published, and in fact it is common for an advisory circular to be unavailable for several days after the written publication date printed on the face of the advisory circular, due to logistical delays while it is being made available to the public. All of this makes it difficult to predict when the transition to the "B" revision will happen.

A company that is seeking accreditation will need to make modifications based on the "B" revision, once the "B" revision becomes effective. This could be impractical if the "B" revision is published shortly before a scheduled accreditation audit. A company that has scheduled an audit that happens immediately after the publication date of the "B" revision will have wasted resources preparing for an audit of a system that complies with the "A" revision but that is out of compliance with the "B" revision.

Also, accreditation organizations will need time to update their policies and procedures (as well as their audit checklists and other tools) in order to reflect the new standards. The must also train their auditors to understand the changes. This requires some time with the final version of the "B" revision.

We recommend that the FAA establish a ninety day transition period during which companies may choose to follow the new "B" revision, but require that AC 00-56A be cancelled 90 days after the publication date of the "B" revision (and full compliance will be expected on that effective date).

Section 2 – Accreditation Action

The Cancellation section explains that "Distributors already in the database of accredited distributors under AC 00-56A may maintain their accreditation until the FAA renews, cancels, or removes their accreditation per AC 00-56B."

The FAA does not renew, cancel or remove accreditation. Each of those actions is performed by accreditation organizations. The FAA has historically made this distinction very clear.

We recommend changing this sentence to read:

> *Distributors already in the database of accredited distributors under AC 00-56A may maintain their accreditation under the AC 00-56A standard until their accreditation expires, is superseded upon renewal, or is cancelled or removed by the distributor's accreditation organization.*

Section 3(a)(6).

This section advises companies to review AC 20-45 as useful guidance. This document outlines the standards for commercial parts. Distributors are not able to use this guidance, and it appears that few, if any, design approval holders have used this guidance to designate commercial parts. We fear that reference to this section may mislead companies into thinking that design approval holders have used this guidance to designate commercial parts, when they have not done so. We recommend removing this section until commercial parts lists are used by industry.

Section 3 (PMA references).

Section 3(a) provides a list of related Advisory Circulars and section 3(b) provides a short list of related FAA Orders. Section 3(b) references Order 8110.42 and explains that it contains guidance on how to obtain PMA. This is no longer the case. Order 8110.42 explains how the FAA processes PMA applications but AC 21.303-4 now provides guidance on how to apply for PMA.

Knowing how to obtain PMAs is not necessarily useful to running an accredited distribution system. While understanding the basics of the FAA approval process is generally useful, we are not convinced that the basics can be gleaned from a cursory study of Order 8110.42.

Moreover, if the reference to the PMA Order is considered useful by the FAA, then the reference list ought to include a TSOA reference as well.

We recommend either removing the reference to Order 8110.42 in section 3(b)(1) OR adding references to Advisory Circular 21.303-4 (PMAs) and Advisory Circular 21-46 (TSOAs).

Section 4(a) [definition of Accreditation Organization]

The definition of accreditation organization in section 4(a) states: "For purposes of FAA oversight, we see the accreditation organization as an agency of the quality system standard."

This statement is legally and factually incorrect, and could lead to ineffective oversight. It should therefore be changed or removed. In addition, the sole value of this sentence is related to FAA oversight models (which are addressed elsewhere) and therefore this sentence does not add anything to the definition, so dropping this sentence would not detract from the definition.

Agency is a legal relationship where an agent owes duties of loyalty, obedience and care to a principal (and the principal owes to the agent duties of compensation, indemnification and novation). The FAA does not have the power to create an agency where none exists under the law.

There are two different models of Accreditation Organizations that currently audit under AC 00-56A. There are systems where the accreditation organization owns the standard and also audits to the standard, and there are systems where the accreditation organization has no legal relationships to the body that owns the standard. There are no current systems in which the accreditation organization has an agency relationship with the quality system standard or with the quality system standard-holder.

ASA and TAC 2000 own their own standards and audit to those standards. Here, the standard-setting body and the accreditation body could be described as having an agency-like relationship (although they are, in fact, identical). Such a description is legally and factually incorrect but because the standard-setting body and the accreditation organization are identical, there is no harm.

But the analogy breaks down for ISO 9001 and its AS91xx derivatives. These standards are owned and distributed by SAE. But in the US, the entities that perform auditing are licensed and controlled by ANAB (and in other countries, they are licensed and controlled by corollaries that are part of the International Accreditation Forum, which is an association of these bodies). That is, the standard is actually divorced from the auditing bodies in a way that makes it inappropriate to refer to the Accreditation Organizations as agents of the standard-holder.

In addition, even though the OASIS database is maintained by SAE, SAE does not control who can be listed in the OASIS database.

If the FAA attempts to treat Accreditation Organizations as agents of the standard-holder, then it will find that it is unable to effectively manage the system, because neither ISO nor SAE maintain any agency controls over their accreditation organizations.

Instead, we strongly recommend that the FAA recognize auditing organizations that act under AC 00-56 as separate entities with their own obligations.

For purposes of this section, we recommend eliminating the sentence that reads "For purposes of FAA oversight, we see the accreditation organization as an agency of the quality system standard organization."

Section 4(b) [definition of Distributor - conjunction]

The "distributor" definition reads: "Any person selling or transferring parts for installation in appliances and U.S. TC'd aircraft, aircraft engines, or propellers."

We recommend changing the word "and" to "or." As it reads now, one must sell or transfer a part that may be installed in both an appliance and a type certificated product in order to fall within this definition. That is not the intent of the definition, and it is absurd when read as published.

Although this is not a change introduced in this revision, this definition language would be more clear if the word was disjunctive ("or"), rather than conjunctive ("and"). *******

Section 4(b) [definition of Distributor – "U.S."]

The "distributor" definition reads: "Any person selling or transferring parts for installation in appliances and U.S. TC'd aircraft, aircraft engines, or propellers."

We recommend dropping the modifier "U.S." from the definition of distributor.

There are currently 739 AC 00-56-accredited distributors located in Africa, Asia, Europe, North American, and Central America. It is truly an international standard.

AC 00-56 is becoming formally recognized by our foreign trading partners. The European Union has published an Opinion recognizing AC 00-56 as an effective way to support EASA safety obligations.[1] That same Opinion is expected to be incorporated into the European Parliament's next revision to the aircraft maintenance regulations controlled by the European Aviation Safety Agency (EASA).

Modern AC 00-56-accredited distributors handle parts for foreign type certificated products, and this will increase as more countries issue type certificates for aircraft and engines. There are companies that are distributors whose primary business is in handling parts for non-U.S. type certificated products. The AC 00-56 program is very effective for managing those companies, and as more fo those companies expand their business model to include parts for U.S. type certificated products, the fact that they are already part of the AC 00-56 program means that they already have the appropriate infrastructure to handle parts the way that the FAA expects.

In light of the international nature of the standard, and the international safety value that AC 00-56 provides, we recommend that the modifier "U.S." be dropped from the definition of distributor.

[1] Control of Suppliers, EASA Opinion 12/2013 (December 2013).

Section 4(c) [definition of Distributor Accreditation]

This sentence implies that one complies with a quality system standard organization (instead of the standard maintained by that organization). This is incorrect on its face, because compliance is to the standard, not to the organization that publishes the standard.

This error can be corrected by clarifying that compliance is to a quality system standard referenced in this AC (rather than to an organization).

We recommend replacing existing section 4(c) with the following text:

> ***c. Distributor Accreditation.*** *Recognition by an accreditation organization that a distributor's quality system complies with the requirements of an acceptable quality system standard referenced in section 7 of this Advisory Circular.*

Section 4(d) [definition of quality system]

The first sentence of this definition says "A network of administrative and technical data and detailed procedures required to maintain a product and its parts to specified airworthiness standards." There are a number of problems with this sentence.

This sentence is confusing because the adjective "administrative" appears to modify the noun "data." It would be more consistent with industry norms to describe a quality system as "A network of administrative processes and procedures …"

In addition, distributors generally do not maintain anything to specified airworthiness standards because they do not have maintenance privileges under Part 43 and they do not have the authority to make an airworthiness finding (they cannot maintain something to a standard when they have no legal competence to make a finding of conformity to that standard).

The clause about what documentation does (meeting purchase order) should be supplemented with a clause about the documentation accurately reflecting the state of the part because that is closer to the main focus of AC 00-56. One reason that this text needs to be shifted is because the FAA should not be intervening in purely commercial aircraft parts dispute among parties.

The definition of quality system in this section applies only to this advisory circular and not to any other guidance, so there is no need to define quality system broadly so that it applies to certificate-holders (like manufactures). The definition can be narrowly tailored to address only a distribution quality system.

We recommend replacing the existing definition in section 4(d) with the following text:

> ***d. Quality System.*** *A network of administrative processes and procedures whose purpose is to protect aircraft parts from damage or degradation, to preserve documentation associated with those parts, and to satisfy customers that purchase or obtain those parts. A*

distributor's quality system should ensure that the parts sold by the distributor satisfy the requirements found in Appendix 1 of this advisory circular.

Section 4(g) [definition of Self-Evaluation]

The definition of "Self-Evaluation" includes evaluation of compliance with the distributor's written quality system. The word "written" seems extraneous here, and we are concerned tha the extraneous word could be interpreted in a manner that is contrary to the FAA's intent, here. For example, one might interpret it to limit the self-evaluation to the written elements of the system (e.g. records) to the exclusion of performance (which is an important part of the live audit process).

We recommend removing the word "written" because we do not want to limit self-evaluation to the written elements of the system – unwritten elements (like actions) should also be part of the review.

We recommend that the definition be replaced with the following text:

> ***g. Self-Evaluation.*** *A process that a distributor applies to the distributor's quality system to evaluate compliance with the applicable quality system standard, and with the distributor's quality system.*

Section 4(h) [definition of traceability]

The phrase "to meet installer requirements" should be removed from the definition. There are two reasons for this removal. The first is that a distributor may not know who the installer (or the end-user) will be, and therefore it may be impossible for a distributor to now the installer's requirements – the best that we can demand of the distributor is to know the distributor's customers' requirements. The second is that the definition of traceability should explaining what traceability is, but it does not need to explain why someone should have traceability. Purposes should be explained elsewhere in order to avoid creating confusing appearances of limitations on the definition.

The notion of tracing parts back to the manufacturer should be removed, because FAA Chief Counsel's Opinion Letters have repeatedly asserted that the FAA does not have the authority to require back-to-birth traceability.

The term "acceptable source" is vague, and ought to be removed. The reason for this vagueness is that the definition fails to say to whom the traceability must be found acceptable. If it is to the FAA, then no documentation is necessary (because the FAA does not have documentation regulations and cannot impose such regulations without an OMB control number, which has not been issued). If the FAA seeks to enforce a standard that is acceptable to an industry party, like a customer, then this standard is likewise void because the FAA cannot enforce an industry record-keeping standard (and different industry participants have different commercial requirements, so there would be a problem in choosing which one to enforce).

In order to resolve these issues, we recommend focusing traceability on what it is, without defining what sort of traceability records might be appropriate (the minimum recommended standards of the appendix should suffice to establish some standard).

In addition, much of the industry has come to rely on the AC 00-56 documentation matrix as a minimum standard, so the traceability definition the definition should have a tighter focus on the documentation matrix.

All of this must be balanced against these other factors:

- The FAA is limited in imposing extra-regulatory record-keeping requirements by the terms of the Paperwork Reduction Act;
- The FAA Chief Counsel's Opinion Letters have repeatedly asserted that the FAA does not impose a traceability requirement;
- The FAA's regulations do not impose a traceability requirement;
- The term "traceability" is used minimally in the advisory circular (so the definition may not be strictly necessary).

In order to address all of these concerns, we recommend modifying the definition of traceability to read as follows:

> **h. Traceability.** Tracking parts, processes, and materials to a source. For an accredited distributor, traceability must meet the minimum standards found in the documentation matrix in Appendix 1.

Section 5(b)

The draft paragraph states:

> **b. Quality System Standard.** Third-party accreditation programs use an independent entity – not the distributor or purchaser – to establish a quality system standard that describes acceptable elements. These elements are subsequently audited for adherence to the standard. An accredited distributor will have a quality system in place with supporting documentation for customers. These documents will help them determine a part's eligibility for installation on U.S. TC'd products.

This draft paragraph uses ambiguous pronouns, is unwieldy, and (most important) is inaccurate because of the way that it is worded. For example, the sentence suggests that the elements of the quality system standard are audited against the standard itself (which would make no sense – it is the implemented quality system that is audited against the standard). The paragraph also omits the development of the quality system itself. The paragraph also includes extraneous information that does not belong in the same paragraph.

We recommend replacing the draft paragraph with these two, more precise paragraphs which also split the two concepts of a quality system standard and the quality audit (to avoid confusion, the concept of documentation has been moved out of these two paragraphs, and moved to the next paragraph – see the next comment for details):

> ***b. Quality System Standard.*** *Several different quality system standards have been recognized by the FAA as acceptable standards that help to improve aviation safety by providing effective quality management for Distributors. A distributor may develop a*

quality system that meets the requirements of one of these quality system standards (and that meets the requirements of this advisory circular).

c. Quality Auditing. *The third -party accreditation program described in this advisory circular uses an independent entity – not the distributor or purchaser - to audit the distributor's quality system. This independent entity – called an accreditation organization - may audit a participating distributor's quality system to assess compliance to the quality system standard and the requirements of this advisory circular*

Section 5(c)

The draft paragraph states that the FAA accredits distributors. This is inaccurate, in that the FAA does not provide accreditation, and the third-party accreditation sources are not state actors (that is, they are not agents of the FAA). This is also inconsistent with paragraph 4(c), which states that distributor accreditation is the act of being accredited by an accreditation organization. This inaccuracy should be corrected.

In addition, the paragraph has elevated what the accreditation accomplishes. Under the old language, accreditation "conveys an assurance" which was accomplished by conveying the paperwork described in the documentation matrix. Under the new language, accreditation "helps to ensure." The problem with this language is that distributors often have no independent power to confirm airworthiness; instead, they transmit documentation created by another source (like a production approval holder who certified airworthiness). Thus it is more accurate to say that accredited distributors "convey assurances."

As proposed, the full paragraph states:

> Distributors are an important supply source for air agencies, commercial operators, and private aircraft owners and operators. We do not directly regulate distributors, but we do accredit a distributor's quality system through a third-party accreditation program. This accreditation helps ensure (1) that parts are of the quality stated, (2) appropriate documentation is on file at the distributor's business, and (3) the distributor can maintain a quality system.

We recommend the following language in order to correct these identified issues (consistent with the prior comment, this would be renumbered as subparagraph "d"):

> Distributors are an important supply source for air agencies, commercial operators, and private aircraft owners and operators. We do not directly regulate distributors, but we do authorize accreditation organizations to accredit a distributor's quality system. This accreditation helps industry identify distributors who are known to convey assurances (1) that parts are of the quality stated, (2) that appropriate documentation is on file at the distributor's business, and (3) that the distributor can maintain a quality system that is acceptable to the FAA.

Section 5(d)

Consistent with the prior comments, this clause should be renumbered as subparagraph “e”):

The purpose of the mitigation in this paragraph has always been to encourage companies to use accredited distributors. The actual nature of this mitigation has remained a mystery because of the high level of safety achieved by accredited distributors (which has resulted in no known civil penalty actions directly attributable to a circumstance like the one described in this paragraph). Therefore the requirement for a voluntary report in order to receive a mitigation should be removed. A party may be unaware of the non-compliance until it is reported by a third party. For example, in a case where an air carrier has purchased a part from an accredited distributor, but the issue with the part is first detected or identified by a repair station, then the installing repair station might self-report to the FAA without reporting the issue to the air carrier, and the air carrier might first learn of the issue from an FAA inspector. It is then too late for the air carrier to file a self-report, even though the air carrier has acted in good faith. Thus the requirement for a self-report should not be included in this mitigation.

We recommend that the paragraph be replaced with the following text:

> ***e. Sound Safety Practices.*** *In evaluating a potential non-compliance with 14 C.F.R. regulations, it is our policy to consider the use of sound safety practices. We consider obtaining parts through accredited distributors is a sound safety practice. If a certificated customer uses an accredited distributor, we would recognize the fact that the certificate holder obtained the part from an accredited distributor as a mitigating circumstance in any subsequent administrative or enforcement action.*

Section 6(a)

The language of this paragraph states that the FAA evaluates the distributor’s quality system. This is not true. The FAA has no resources to evaluate distributor’s quality systems. Instead, distributor’s quality systems are evaluated by third part auditing organizations (see also definition of distributor accreditation).

We recommend the following language in order to correct this issue, and to accurately reflect current practice:

> ***a. Distributors’ Quality System.*** *Distributors can use quality systems to ensure that parts documentation accurately reflects the installer’s requirements. This documentation also helps installers confirm that the parts are acceptable for installation on U.S. type-certificated products. An accreditation organization evaluates a distributor’s quality system to ensure that the system satisfies each element of this AC, and also each element of the applicable quality standard. If the system satisfies each of the elements then it is acceptable to the Administrator. Quality system standards that we have found acceptable for these purposes are listed in paragraph 7, Acceptable Quality System Standards.*

Section 6(b)(1)

The existing language of 6(b)(1) requires the parts be traceable to a prior source and bear acceptable documentation. Both these were subject to the modifier "that conforms to at least one of the installer's requirements listed in Appendix 1." In the FAA proposed draft, this modifier has been moved to clearly apply only to the second condition and the word "prior" is removed from the first condition. The result of this is to state that parts must trace back to a "source." With the modifiers removed, this could be misread to imply that the parts must trace back to a manufacturing source. Over the past 25 years, the FAA Chief Counsel's Office has issued multiple opinion letters confirming that the FAA does not require trace back to a manufacturing source. Therefore, such an implication is in appropriate in this context.

We also recommend using the term "article," which is the defined term found in the FAA's regulations to describe components and materials. Documentation should not be listed here because it should not be traceable … it is the tool of traceability.

We also recommend using the phrase "Required on Receipt," instead of "installer's requirements," because the latter phrase is not used in Appendix 1, while the former phrase is the title of the column in which the receipt requirements are found. If the use of the phrase "installer's requirements was purposefully meant to expand the scope of the idea beyond the scope of the appendix, then it is an inappropriate expansion: if the installer is not the direct customer of the distributor, then the distributor may have no way to know the installer's additional requirements.

The FAA draft language states the following:

> Receiving inspection procedures that confirm procured material, components, and documentation are traceable to a source; and the documentation satisfies at least one of the installer's requirements listed in Appendix 1, Documentation Matrix.

We recommend this alternative language:

> *(1) Receiving inspection procedures that confirm procured products and articles are accompanied by documentation that (i) shows the source of the product or article and (ii) satisfies at least one of the "Required on Receipt" requirements listed in Appendix 1, Documentation Matrix.*

Section 6(b)(2) - Training

The FAA draft language uses the word personnel in a vague and ambiguous way, and it appears that the term may not agree with the direct object that follows the term. It seems out-of-place.

The FAA draft language requires the following:

> A system for training personnel to ensure that the distributor properly executes the quality system, including the elements that make up personnel job assignments.

We recommend changing this requirement to read as follows:

> *(2) A system for training the distributor's personnel to ensure that the distributor properly executes the quality system, including the elements of the quality system that fall within the trained person's responsibility and/or job function.*

Section 6(b)(3) – Recording Qualifications

Strike "all" both times. It is unnecessary, where the set of authorized employees is a discrete known set.

Section 6(b)(4) – Discrepant Material

This section of the FAA draft uses apparent synonyms (of terms in the "A" revision) in order to create a sentence that makes no sense, because the words that were replaced were industry terms of art that were not susceptible to direct replacement with thesaurus synonyms

The original language from AC 00-56A required:

> A procedure for segregation of discrepant material.

The FAA's proposed language for the "B" revision required:

> A procedure for separating incoming mismatched material.

The problems is that the original requirement (which this language replaces) was seeking a procedure for taking material that does not meet expectations, and segregating it in a way to prevent its inadvertent sale or transfer to a third party. This is a safety measure designed to prevent discrepant material from being released for installation.

The term "discrepant" is an industry term of art that encompasses all manner of discrepancies, including non-conformities, documentation inconsistencies, or anything else that needs to be examined and resolved.

Terms like "segregation" and "discrepant" are well-understood by the industry and do not appear to need to be changed.

We also recommend removing the term "incoming" because material can become discrepant after receipt, such as through damage, degradation, notification of quality escape, shelf life limit, etc. The segregation procedure should also be used for material subsequently discovered to be discrepant.

Our primary recommendation is that the FAA return to the "A" revision language, which stated:

> *A procedure for segregation of discrepant material.*

However if the FAA fears that these terms might not be understood by the public (and wishes to make the requirements understandable to the general public) then we might consider replacing this element with a requirement like this:

> *(4) A procedure for removing suspect or non-conforming material that is identified during receiving inspection, and placing the removed material in a separate area until such suspicion or non-conformance can be properly resolved. The separate area may be physically segregated or it may be procedurally segregated, as long as the segregation is effective in preventing inadvertent sale or transfer of the suspect or non-conforming material prior to the identification of an appropriate disposition.*

Section 6(b)(5) – Control of Measuring Equipment

The text in this section of the FAA draft has been reordered, but the new word order introduces new confusion into the requirement. The original purpose of this language was to provide for control of measuring equipment when such equipment was used (analogous to the Part 145 calibration requirements). The language of the requirement recognized that most distributors do not use measuring equipment of the sort anticipated by the requirement.

The proposed language requires:

> Measuring controls that account for equipment storage, usage, and calibration when the distributor needs such equipment.

In order to correct this confusing language, we recommend amending the language to state:

> *(5) A process or procedure for controlling measuring and/or test equipment, when such equipment is required by the distributor's business model. The procedure should provide for appropriate storage, usage, and calibration of such equipment.*

Section 6(b)(7) – Technical Data

The text in this section of the FAA draft has been truncated. While some of the truncation appears innocuous, the removal of the qualifier "when required" appears to require technical data control for all distributors. This is not appropriate because most distributors do not have technical data, and therefore do not need to have technical data control procedures. We recommend a change to language that recognizes that most distributors do not possess controlled technical data.

The proposed language requires:

> A system for assuring that technical data is current and accessible.

In order to correct the implication that technical data is generally necessary (when it is not necessary for most after-market distributors), we recommend amending the language to state:

(7) A system for assuring that technical data is current and accessible, when such data is required by the distributor's business model.

Section 6(b)(8) - Inspection Stamp Control

Two of the amendments to the text in this section of the FAA draft have been improperly amended. The proposed language requires:

> Inspection stamp control for part issuance, usage, re- issuance, loss of, and accountability.

The removal of the qualifier "when applicable" appears to require inspection stamp control for all distributors. This is not appropriate because not all distributors use inspection stamps, and the provision was only meant to apply when inspection stamps are used (and it was never intended to drive inspection stamp use when inspection stamps are not currently used).

In addition, the new draft includes language about "part issuance;" that language originally pertained to stamp issuance. There is no need for inspection stamp control for part issuance – that concept is simply an erroneous construct.

We recommend a change to the language that recognizes that many distributors do not use inspection stamps, but that those that do need to control stamp issuance. In order to recognize that many distributors do not use inspection stamps, but that those that do need to control stamp issuance, we recommend the following language:

(8) If inspection stamps are used, then a process or procedure for controlling inspection stamps, including stamp issuance, usage, re- issuance, loss of, and accountability.

Section 6(b)(10) – Environmental Controls

While this section is not a problem per se, we feel that it could be expanded to provide a greater range of protections. We recommend expanding the scope of this section to address a broad range of preservation controls for parts in the facility. Environmental controls should just be one part of this control regime.

The language we recommend is this:

(10) Preservation controls, such as environmental controls that help the distributor ensure that parts requiring special environments are identified and stored accordingly.

Section 6(b)(11) - Copies

Frequently, distributors need to duplicate tags. For example, if the distributor purchases a lot of 1000 units, but sells them in 10 unit lots, then the original tag must be duplicated (and additional documentation is typically provided to indicate the number of units in the particular subsidiary

lot. Another circumstance where duplicates may be provided is where a customer asks to see copies of the documentation package before buying a part (such copies may be watermarked or otherwise identified to prevent misuse).

Another situation where tags are duplicated is where certified true copies are required under Appendix 1.

This section previously required accountability when an accredited distributor duplicated a tag, in order to make sure that the system was auditable and to make sure that duplicated tags are only associated with the parts with which they should be associated. The specifics requirements might vary based on the purpose of the duplication, so the term "accountability" was used. This section operated in conjunction with section 6(l), which was specific to lot-splitting (these two were combined in one sub-section in the original version of AC 00-56).

As amended, though, this section would appear to require accountability when duplicate tags are discovered. This was not the original intent of this section, and such a procedure does not make good sense in the current industry environment.

The proposed language requires:

> A procedure to establish accountability in the event of duplicate approval tags or other traceability documents.

In order to clarify the intent, we recommend language consistent with FAA Order 8130.21H para 2-7 (which was originally drafted to support this provision of AC 00-56, as a method to split bulk shipments, which is one sample instance where documents may be copied).

> *(11) When documentation is required to be duplicated to meet commercial requirements, a process or procedure for controlling the copies so as to prevent the mis-use or unintended use of a copy.*

Section 6(b)(16) – Changes to the Quality System

Under this section, significant changes to the quality system must be disclosed to the accreditation organization before they are implemented. This notification allows the accreditation organization to determine what additional oversight (such as a special audit) may be necessary to confirm that the system remains compliant in the wake of the significant change.

The "A" revision of AC 00-56 explained that the definition of "significant changes to the quality system" was subject to the determination of the accreditation organization. The proposed language has removed this.

This provision is important, because it allows the accreditation organization to establish uniform parameters for what changes are considered to be sufficiently significant to warrant notification. Without this, individual companies could attempt to set their own definitions, which would undermine the purpose of the prior notification provision.

We therefore recommend that the FAA append a sentence to the end of this section, so that the entire section reads as follows:

> *(16) A system for notifying the accreditation organization before the distributor significantly changes the distributor's quality system. The accreditation organization shall determine what changes are significant.*

Section 6(b)(17) – Hazmat

The reference for hazardous materials has been changed from Title 49 to Title 14. Title 14 does not have any hazardous materials regulations that apply to distributors.

The hazardous materials regulations that apply are found in Title 49 (Subtitle B, Chapter I, Subchapter C). Therefore this reference should be changed back to Title 49 in order to be meaningful.

We recommend that the language be changed to the following:

> (17) A system for hazmat control and transport that meets 49 CFR requirements.

Section 6(b)(18) [NEW - Counterfeit Parts And Suspected Unapproved Parts]

Counterfeit parts are currently a concern for the defense industry. The accreditation program has frequently been effective in identifying and preventing instances of counterfeit parts flowing through accredited distributors. In order to strengthen this effectiveness, we recommend including a specific requirement for counterfeit and unapproved part training.

We recommend adding a new section to Article 6, addressing counterfeit and unapproved parts training, such as:

> *"Process or Procedure for training purchasing and receiving personnel about the identification of counterfeit parts and suspected unapproved parts."*

Section 7

Section 8(b)

This section requires an audit.

When this system was created it was anticipated that the accreditation organizations would physically audit the systems, because of the recognition that having a good manual, and following it, can be two different things.

We understand that at least one accreditation organization performs “desktop audits” (audits the manual but does not physically audit the implementation of the system). We recommend that the FAA clarify that the audit is to include a physical audit of the site to ensure effective implementation of the quality system.

In addition, neither ASA, nor TAC nor ISO have licenses between the quality system standard organization and the accreditation organization. No such license exists for ASA and TAC at this time because of the identity between the quality system standard organization and the accreditation organization, but for ISO this is more of problem because it does not reflect current ISO practice and because ISO is designed for many industries, the ISO system may be unwilling to change to meet FAA requirements. It is not clear why the FAA wants this licensing language, so as a consequence we are unable to make a recommendation that meets the FAA’s goals in a different way, and we can only recommend removal of this clause.

We recommend that this section be amended to read as follows:

> ***b. Audit Distributors.*** *Accreditation organizations must audit distributors to ensure compliance with respective quality system standards (see paragraph 7, Acceptable Quality System Standards) and all requirements in this AC. The audit should include a review of the manual to ensure that the manual adequately addresses the required elements, as well as a physical audit of a distributor’s facility to ensure effective implementation of the quality system.*

Section 8(d)

We recommend removing the line about “Training as an auditor by the International Organization for Standardization (ISO).” This is because ISO does not train auditors.

We also recommend taking out the limitation of training by ASQ, because ASQ is one of several organizations that compete with one another to provide this training. Instead, we recommend “Certification as an ISO or AS91xx auditor.”

CASE no longer provides the 3A (distributor) training, and has ceased supporting the 3A (distributor) standard. The CASE Training Committee Chair has confirmed that this is a permanent decision. She suggested to us that CASE should be removed from this list. Because some people have already been trained to the 3A standard in the past, we recommend retaining the language but restricted to the 3A standard.

We recommend removing the term “air agency” from the list of parties for whom one has audited. The term air agency includes repair stations, flight schools and A&P schools. Repair stations are already listed separately, and auditing at a flight school or A&P school would not qualify a person to be a VIDAP auditor.

Finally, we recommend that auditing to this standard for an accreditation organization be a condition, as well. The reason is because the credential requirements are written in the present tense and thus must be met continuously. Some of the credential can be lost over time, especially if the auditor is primarily focused on AC 00-56 auditing. Thus we recommend AC 00-

56 auditing for an accreditation organization as a qualifying credential so that qualified auditors do not lose their qualification by virtue of their focus on AC 00-56

We recommend that this section read as follows (note that we have also made minor editorial corrections to this section that are not listed above):

> **d. Auditor Qualifications.** Each auditor used by the accreditation organization should have at least one of the following qualifications:
> **(1)** Certification as an ISO 9001 auditor.
> **(2)** Training to the CASE 3A standard by the Coordinating Agency for Supplier Evaluation (C.A.S.E.).
> **(3)** Past professional experience as a quality auditor for an air carrier, repair station, or air agency; or a distributor accredited under this AC.
> **(4)** Past work as an FAA aviation safety inspector (ASI) with auditing experience.
> **(5)** Certification as an AS9100, AS9110 or AS9120 auditor (EN9100, EN9110 or EN9120 in Europe), and listed on the Online Aerospace Supplier Information System (OASIS) database.
> **(6)** Professional experience as a quality auditor auditing to this advisory circular for an accreditation organization.

Section 8(e)

This section imposes an obligation on the accreditation organization to issue a letter certifying compliance. If the distributor fails to meet contractual requirements (like the requirement to pay accreditation organization), then the accreditation organization should not be under an obligation to issue the letter.

To address this issue, we recommend that this section be amended to read like this:

> ***e. Letter Certifying Compliance.*** *If the distributor complies with the selected quality system standard and with all elements of this AC, and further complies with the requirements of its contract with the accreditation organization, then the accreditation organization shall give the distributor a letter certifying compliance with both the selected quality system standard and all elements of this AC.*

Section 8(f)

We recommend adding a sentence at the end of the paragraph to clarify that both the audit and the surveillance audit must each be live, physical audits of a distributor's facility. This is because the program originally anticipated live physical audits and because we understand that at least one accreditation organization does not perform such on-site auditing.

The recommended text would read as follows:

> ***f. Distributor Audit Requirements.*** *The accreditation organization must audit a distributor accredited by this AC. The accreditation organization must conduct the audit – using the complete acceptable quality system standard chosen – at least once every 36*

months. The organization must conduct at least one surveillance audit during the 36-month term for the distributor to continue to participate in the voluntary industry accreditation program. Any letter certifying compliance with the standards of this AC must become invalid no later than the third anniversary of the certification. This will not affect the letter's validity about any other certifications made. The audit and the surveillance audit must each be live, physical audits of a distributor's facility to ensure effective implementation of the quality system.

Section 8(h)

This section permits the FAA to audit an accreditation organization for any reason related to aircraft parts safety.

As a practical matter, ISO auditing organizations are highly unlikely to permit the FAA to conduct such an audit. They would likely assert their fourth amendment privileges to stop the FAA, and the courts would likely say that the search language is too overbroad to be enforceable (and that the FAA cannot circumvent the Constitution with AC language).

There is a legal doctrine in which a party that receives a privilege from the government can be required to yield correlative fourth amendment rights (such as a reasonable search prior to entering government building). But that doctrine may be inapplicable where the entities have not sought an actual privilege from the FAA.

We agree that the FAA should have the ability to audit accreditation organizations; however, the FAA has historically included on the list of accreditation organizations all IAF- accredited certification bodies and certification bodies listed on the OASIS database. Many of these entities have not made any affirmative move to place themselves under the jurisdiction of the FAA. The mere fact that they have audited to AC 00-56 may be insufficient to place such an entity under the jurisdiction of the FAA (we have been told that many of those that perform an AC 00-56 audit merely use the ASA-100 checklist, which is available online for free).

There are two possible ways to address this. One would be to limit the accreditation organization privileges only to accreditation organizations that have affirmatively petitioned the FAA for such status (and to require them to agree to such audits as a condition of their status as an accreditation organization). The FAA has not historically done this, so in order to conform to past FAA practice, we recommend limiting the language to language that would be enforceable.

In order to give this provision a chance of being enforceable, we recommend truncating it, as follows:

> ***h. Audit Records.*** *Accreditation organizations must let us audit their records so we can ensure compliance with this AC.*

Section 11

CASE has discontinued support of the CASE 3A standard. They no longer audit to this standard and they no longer maintain the list of compliant distributors. We have coordinated with the CASE Training Committee Chair who confirms this information.

We therefore recommend removing this section.

Section 12

The draft language has removed “with the FAA” as a qualifier to the term “bilateral agreement.” The United States enters into many bilateral agreements, including agreements that address maintenance issues. Non-aviation bilateral agreements should be excluded from this provision.

To remedy this we recommend clarifying the provision, to limit it to FAA bilateral aviation agreements (BAA) and FAA bilateral aviation safety agreements (BASA) as recognized under Title 14 Part 21 subpart N.

New Appendix 1 Table

We recommend the following new appendix A Table. This table accomplishes a number of improvements.

- It corrects impossible situations created by requirements for producer documentation. For example, the receipt requirement for standard parts required a C of C from the producer, but the “required for shipment” requirement was a C of C from the distributor certifying that the original remains on file. This would mean that standard parts sold by one accredited distributor to another would not include the “required on receipt” documentation. In addition, some standard parts producers do not provide certificates of conformity. These issues are corrected in the table to permit standard parts to be received with the C of C that might be passed-on from the distributor.
- It updates outdated references in a way that will permit new certifications recognized by the United States to be recognized without any need to update this advisory circular
- It adds new categories under “Class of Part,” to reflect classes that were missing from the original appendix. These new categories include consumable materials, and parts produced under TC only (14 C.F.R. § 21.121 et seq.).
- It splits existing categories under “Class of Part,” to reflect classes that should have been distinguished, but were inappropriately classed together.

We recommend that the proposed appendix 1 be replaced with this new table:

AC 00-56 Appendix 1

CLASS OF PART	REQUIRED ON RECEIPT	REQUIRED FOR SHIPMENT
Consumable materials intended to be consumed in the maintenance, alteration or preventative maintenance of a product or article (e.g. tape, grease, paint, sealant, etc.)	Statement from seller as to identity.	Statement as to identity and that original seller’s statement is on file.
Raw materials	Physical and chemical properties reports traceable to heat code or lot number.	Certified true copy of the physical and chemical properties reports.
Standard parts	Certificate of Conformity (C of C) from producer or C of C from seller	Certified true copy of the received C of C and statement that original certified statement is on file.

CLASS OF PART	REQUIRED ON RECEIPT	REQUIRED FOR SHIPMENT
New Parts produced by a US Type Certificate holder and produced under TC only	Certified statement from seller as to identity and condition.	Statement as to identity and condition and that original certified statement is on file.
New Parts produced by a US PAH that are accompanied by airworthiness approval or part marking required by 14 C.F.R. Part 45	FAA Form 8130-3 or part marking required by 14 C.F.R. Part 45	Certified true copy of the regulatory airworthiness approval document or Statement as to identity and condition for a part marked according to 14 C.F.R. Part 45
New Parts produced by a US PAH that are not accompanied by airworthiness approval	Certified statement from seller as to identity and condition.	Statement as to identity and condition and that original certified statement is on file.
New Parts produced by a non-US PAH and approved under the provisions of a bilateral agreement between the United States and a foreign country or jurisdiction.	Regulatory airworthiness approval document meeting the requirements of the bilateral agreement between the US and the nation that issued the production approval; document should meet the requirements that were effective at the time that the part was imported into the United States	Certified true copy of the regulatory airworthiness approval document.
New Parts produced by a non-US PAH that are not accompanied by airworthiness approval	Certified statement from seller as to identity and condition.	Statement as to identity and condition and that original certified statement is on file.
Used parts that have been maintained under FAA Part 43 (including 43.17)	Approval for return to service meeting provisions of 14 CFR §§ 43.9, 43.11, or 43.17.	Approval for return to service.
Used parts that have been maintained under foreign maintenance standards but not maintained under FAA Part 43	Approval for return to service meeting the requirements of the foreign maintenance standards.	Approval for return to service. The documentation should clearly identify the applicable airworthiness authority.
Used parts, products, and appliances without approval for return to service.	Certified statement from seller about identity and condition – must use an accurate descriptive term or narrative to describe condition, such as “as-is,” or any other term that accurately describes the current condition and conveys to the distributor that the part may not meet other categories of this matrix.	Statement about identity and condition and that original certified statement is on file. Must use an accurate descriptive term or narrative to describe condition, such as “as-is,” or any other term that accurately describes the current condition and conveys to the transferee that the part may not meet other categories of this matrix.