



---

## QADP 3A - PURCHASING PROCESS

---

### **PURPOSE:**

To ensure products and services purchased meets specified requirements.

### **SCOPE:**

This procedure covers the purchase of product and services that support the ability to meet the commitment to quality.

### **DEFINITIONS:**

None

### **RESPONSIBILITIES:**

The General Manager is responsible for ensuring the overall successful purchase of product and services to support requirements.

Individual buyers are responsible for ensuring specific products and services purchased meet specified requirements.

### **REFERENCES:**

Approved Suppliers List  
Approved Supplier Record  
Purchase Order



---

## QADP 3A - PURCHASING PROCESS

---

### PROCEDURE:

#### 3.1 Process Links

| Process Inputs   | Process Activities                 | Process Outputs   |
|--|------------------------------------|---|
| <i>Customer Related Processes</i><br>Quotation Requests<br>Customer Orders | Prepare Quotations<br>Place Orders | <i>Inspection and Testing Process</i><br><i>Control of Nonconforming Product Process</i><br><i>Order Filling Process</i><br><i>Improvement Process</i><br>Quotations<br>Purchase Orders |

#### 3.1 Approved Suppliers and Subcontractors

- 3.1.1 Suppliers are assessed and evaluated for capability to provide the required products or services by one or more of the following methods:
- Past performance
  - Discussion of quality practices
  - Site visit
  - Reputation / Reference check
  - ISO 9000 registration
- 3.1.2 Suppliers of products for resale that support the ability to meet the commitment to quality are controlled by the Approved Supplier Records.
- 3.1.3 Suppliers of services and products, other than those for resale, that support the ability to meet the commitment to quality are controlled by the Approved Suppliers List.
- 3.1.4 A supplier is accepted for inclusion as an approved supplier by a buyer subject to a satisfactory assessment of quality practices.



---

## QADP 3A - PURCHASING PROCESS

---

- 3.1.5 Every approved supplier has an Approved Supplier Record. This record indicates the basis of approval and is stored in the computer system.
- 3.1.6 For suppliers of products for resale, the Approved Supplier Record is kept in the computer system with other information about the supplier. The name of the buyer approving a supplier is automatically appended to the approval record in the computer using password identification. Entering approval information constitutes acceptance as an approved supplier.
- 3.1.7 All approved suppliers are subject to a regular performance review for continuing capability to provide the required product or services, as applicable.
- 3.1.8 The interval between status reviews is dependent, in part, on the quality importance of the supplies, equipment or service, and on performance evaluation. The interval between reviews does not exceed twelve months.
- 3.1.9 Suppliers stated by name in a customer order are considered as approved. The named supplier is restricted to that specific order only unless that supplier is an approved supplier. A supplier used solely because of such an order is not required to have an Approved Supplier Record.
- 3.1.10 The results of supplier evaluations and any significant supplier performance activities are documented on the Approved Supplier Record and a summary presented to the Management Review meetings.

### **3.2 Purchasing Product for Resale**

- 3.2.1 The Buyers are responsible for purchasing product for resale by Arya Marine.
- 3.2.2 Data for all orders is recorded on a computer generated Purchase Order Form. Entries contain data that clearly describe the product ordered, e.g., description, quantity, type, catalog number, as applicable. Orders also indicate if the delivery is to be made by Arya Marine truck or public carrier.
- 3.2.3 The Buyers review all orders to ensure that the products are clearly described. The buyer initiates the printing of an order and the computer automatically appends the buyer's name (controlled by password) demonstrating successful review. After review, the Purchase Order is faxed to the supplier.



---

## QADP 3A - PURCHASING PROCESS

---

3.2.4 After purchased product has been received, the Warehouse is responsible for receiving inspection as per QADP 7A (Inspection and Testing Process).

### 3.3 Purchasing Other Products and Services

3.3.1 Employees are authorized to requisition product that relates to their area of responsibility. Requisitions are approved by the General Manager.

3.3.2 The Buyers are responsible for placing the orders with approved suppliers. Buyers review the orders to ensure the requirements are clear prior to release.

3.3.3 Purchasing data for all orders, including blanket orders, is recorded on a Purchase Order Form or other documentation such as a carrier Way Bill. The data clearly describes the product or service, e.g., description, quantity, type, catalog number, service, as applicable.

3.3.4 The purchasing data is communicated to the supplier giving an assigned purchase reference when applicable. For purchased product, a written confirmation of the purchase order is sent to the supplier by fax or mail.

3.3.5 After purchased product has been received, the Shipper/Receiver is responsible for receiving inspection as per QADP 7A (Inspection and Testing Process).

### 3.4 Verification at Supplier's Premises

3.4.1 When Arya Marine proposes to verify purchased product at the premises of a supplier, Arya Marine specify in the purchasing documents verification arrangements and the method of product release.

3.4.2 Where agreed by contract, the customer may verify, at the premises of Arya Marine or of their supplier, that work subcontracted by Arya Marine conforms to specified requirements. Customer verification is not considered as evidence of quality acceptance.

3.4.3 Verification by the customer does not absolve Arya Marine of the responsibility to provide acceptable product, nor does it preclude subsequent rejection by the customer.