# Documenting Removed Parts and Shipping Them

AFRA 2016

Jason Dickstein

# Have a Contract

- **BEST PRACTICE (V)(a) 3 –** A disassembly Facility shall have a clear, written understanding of any customer expectations or demands concerning disassembly of the Asset and recovery of the parts removed.

# Have a Contract!

- Ensure that your disassembly agreement covers expected documentation protocols
- For more on what should be in your contract, check out the contract element questions in the BMP

# Agreement Elements

- □ What is the asset and what is the scope of work? What exactly does the customer expect?
- □ Who identifies the need for, and obtains the licenses, associated with the work scope? Which set of laws applies to the disassembly?
- □ Where does the disassembly take place?
- □ Who is responsible for access to the site where the aircraft is located and who has access?
- □ What is the location for disassembly? Who is responsible for moving the aircraft to the place where it will be disassembled? Who is responsible for the associated costs?
- □ Who owns the parts? Who owns the fuselage or other remainders once disassembly is complete? Does the disassembler have any right to salvage of the remainder? Who is responsible for disposing of remainder?
- □ Payment for services? Who is responsible for taxes? What are the terms of payment? What if the customer believe s that the work has not been completed – what remedies and procedures apply?
- □ Who is responsible for delays or failures to perform due to acts of God or other events.
- □ Does either side indemnify the other for certain types of liabilities?
- □ Who is responsible for identifying the need for, obtaining, and paying for insurance.
- □ Owner should warrant that he has the legal authority to give permission for the disassembly

# Agreement Elements

- □ What parts are to be removed? What is the procedure for amending that list?
- □ What is the schedule for disassembly? What deadlines apply? Are there penalties for late completion or bonuses for early completion?
- □ How will contract disputes be resolved? Is there a set process? What law applies? To the resolution of disputes Where must disputes be resolved?
- □ Who is responsible for health and safety risk and compliance issues?
- □ Who is responsible for Protection and security of asset/location and how will this be accomplished
- □ Who is responsible for Insurance?
- □ Can either party assign its rights or obligations under the agreement? Are there conditions for assignment of rights or obligations?
- □ Liability for removal damage – identification of removal damage v. preremoval damage?
- □ Who will supply facilities for disassembly? Tooling for disassembly? Stands, jacks, dropkits, etc. Special tooling? Manuals, instructions and other data?
- □ Who will supply documentation on the aircraft to support traceability?

# Have a Written Procedure for Analysis

- **BEST PRACTICE (VII)(b) 2 –** Once a part has entered the segregated staging area, the Facility shall have a written procedure for analyzing it to make sure it meets the Customer's requirements and to make sure it is on the Customer's manifest. Parts that do not meet appropriate standards must be returned to the Asset disassembly area or a quarantine area to be held until they are ready to be researched (if the problem can be overcome through research), recycled or otherwise dispositioned.

# Life Limited Parts are Special

- Removal control is legally required for life limited parts
  - Traceability is one way to meet the obligations

# Life Limited Parts

- Congress required the FAA to promulgate rules on life limited parts disposition
- Applies to anyone who removes a life-limited part
  - US law does not regulate removal – therefore US law does not generally require removal tags
- Requires safe disposition

# Life Limited Parts Disposition

- Safe disposition includes any of the following:
  - Parts segregation designed to preclude installation on an aircraft
  - Permanent marking to indicate used life status
  - Destruction/mutilation
  - Marking the part
  - Tagging the part
  - Any other method approved by the FAA

# There is No Requirement!

- Other than life limited parts, there is no US law requirement to issue any paperwork to document a removal of an aircraft part
- You could remove parts and leave them with no documentation whatsoever
- But commercial norms have evolved to a point where there are normal expectations that removed parts will be accompanied by removal documentation
  - These are reflected in the BMP

# Prepare an Identification Tag

- **BEST PRACTICE (V)(d) 1 –** For each part removed from the Asset, the disassembly Facility shall prepare a disassembly identification tag to identify the part. Each tag shall be attached to the part or otherwise associated with it upon the part's removal.

# Practice Guides for Tagging

- Identify the Asset from which the part was removed, usually by registry number
- Track the part back to the particular disassembly job through work order number or customer identification.
- Identify the part
  - Part number
  - Serial number
- Segregate items without a clear part number for further research

# Practice Guides for Tagging

- Identify condition features, like total times/cycles on the part, and total times/cycles on the Asset from which the part was removed
  - Identify information from historical records
- Identify anything unusual about the part that could affect its airworthiness
  - Unusual heat
  - Unusual stress
  - Unusual environmental conditions
  - Limit the scope of such statements to the records reviewed

# Safe Storage and Transportation

- **BEST PRACTICE (VII)(b) 1 –** During or following disassembly, removed parts should be prepared for safe storage and/or transportation.

# Shipping

- **BEST PRACTICE (VII)(e) 1 –** The agreement with the Customer may specify that the Customer is responsible for shipping or transportation issues, in which case the Customer's procedures, and not the Facility's procedures, shall be used.
- **BEST PRACTICE (VII)(e) 2 –** The Facility shall ensure that materials it ships or transports are packaged and shipped appropriately in accordance with acceptable standards, including contractual requirements.

# Hazardous Materials / Dangerous Goods

- **BEST PRACTICE (VII)(e) 3 –** The Facility shall have a procedure for assuring its own compliance with dangerous goods regulations

# There are Nine Classes of HazMats

- **Class 1: .....Explosives**
- **Class 2: .....Gases**
- **Class 3: .....Flammable Liquids**
- **Class 4: .....Flammable Solids**
- **Class 5: .....Oxidizers**
- **Class 6: .....Poisons**
- **Class 7: .....Radioactive**
- **Class 8: .....Corrosives**
- **Class 9: .....Miscellaneous Dangerous Goods**

# Explosives

- Including explosive squibs and actuators
- E.g., in the fire suppression systems

# Gasses

- 2.1 Flammable gas
- 2.2 Nonflammable gas
- 2.3 Toxic gas

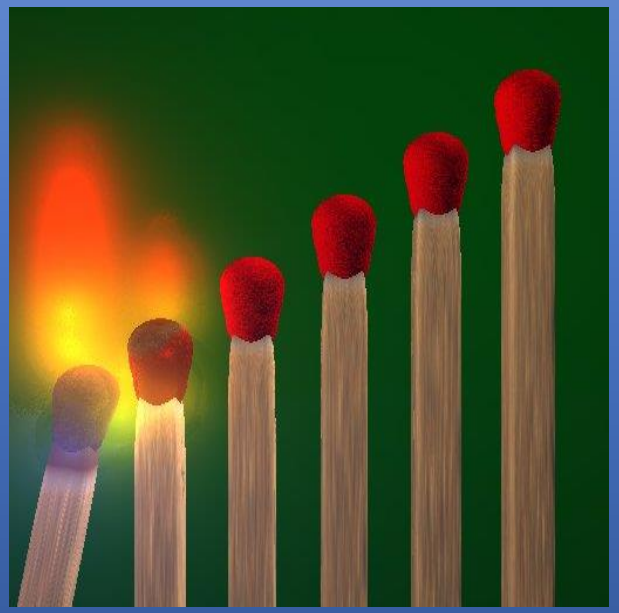
Escape Slide and Life Raft Cylinders

# Flammable Liquids

- Class 3 includes those liquids with a flash point of 60°C or less, including fuel and paint

# Flammable Solids

- Matches are a good example of flammable solid



# Oxidizers

- Oxygen cylinders
- Oxygen generators
- Spent oxygen generators are dangerous goods, too (US distinction – spent generators are treated as class nine)

# Toxics

- Certain coatings (e.g. rust-inhibiting coatings containing strontium chromate)
- Certain greases
- Some chemical films and coatings, like older configurations of Alodine

# Radioactives

- Depleted uranium counterweights may be found in some control surfaces, particularly older ones
- Radium, used in older instrument dials
- Check carefully – many articles are specifically manufactured to fall below the regulatory threshold

# Corrosives

- Batteries may be dangerous goods
- Many articles with batteries in them, like flight data recorders, must be treated as class nine materials

# Miscellaneous Dangerous Goods

- Backup batteries in avionics can be dangerous goods in apparatus
- First aid kits
- Lithium batteries (separate or installed)

# Some Additional HazMats for AFRA Members to Be Aware Of:

- Solvents and degreasers
- Engine parts with fuel residue
- All batteries, including back-up batteries in avionics
- Paint
- Radium paint in older instruments
- Life-saving equipment
  - Self-inflating: like slides, rafts, and life preservers
  - Not self inflating: like survival kits

# Hazmat Shipping Classes

- We offer a two-day online hazmat class
- Results in certification to ship hazardous materials / dangerous goods under US and ICAO standards
- Offered in the Spring and the Fall
  - Next class October 2016
- http://washingtonaviation.com/hazmat.html

# Import/Export

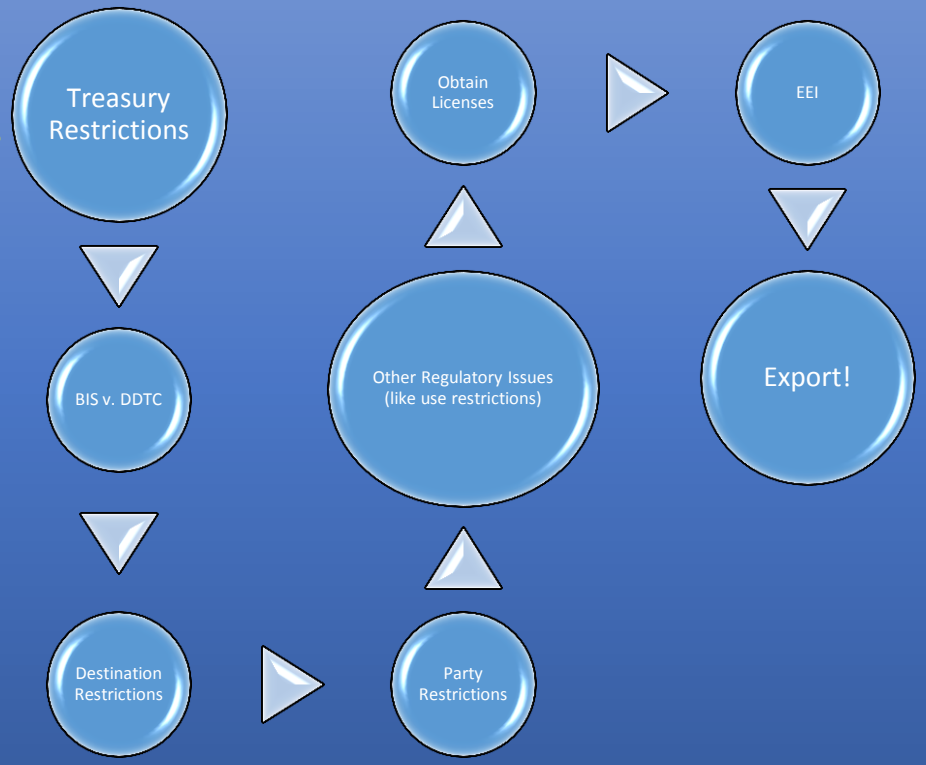
- **BEST PRACTICE (VII)(e) 4 –** The Facility shall have a procedure for assuring its own compliance with import and export regulations.

# Some Export Regulators

- BIS – Bureau of Industry and Security
  - Commerce Department office responsible for the regulation of most exports
- DDTC – Directorate of Defense Trade Controls
  - State Department office responsible for the regulation of exports of defense-related articles
- OFAC - Office of Foreign Asset Control
  - Treasury Department office responsible for certain additional export controls meant to advance particular interests of the United States

# Steps to Compliance

- Look at Treasury restrictions
- Identify whether the article is State or Commerce restricted
- Examine appropriate destination restrictions
- Check party-level restrictions
- Identify other regulatory issues
- Obtain licenses as necessary
- Document the transaction



# Export Class

- Ryan Aggergaard will be teaching an export compliance class tomorrow

# Import Standards

- Most aviation articles are imported duty-free
  - But there are a number of exceptions
- The first step is to properly classify the import under the right harmonized tariff code

# Harmonized Tariff Codes

- 8803.xx.xxxx – Tariff Code for aircraft parts
- US Goods returned
  - For repair – 9801.00.1012
  - After temporary export – 9801.00.1010
- Foreign engines or propellers or their parts imported a second time e.g. by the same exporter
  - 9801.00.3000
- But may things are excluded from Chapter 88

# Harmonized Tariff Codes

- Article returned to the US after having been exported for repair
  - Under warranty – 9802.00.4000
  - Internal combustion engines – 9802.00.4020
  - All other repairs – 9802.00.4040
- Many other things are excluded from the Aviation Chapter 88 …

# Exceptions from 8803

- Joints, washers or the like of any material (classified according to their constituent material or in heading 8484) or other articles of vulcanized rubber other than hard rubber (heading 4016);
- Parts of general use, as defined in note 2 to section XV, of base metal (section XV) or similar goods of plastics (chapter 39);
- Articles of chapter 82 (tools);
- Articles of heading 8306 (bells/ornaments/mirrors);
- Machines or apparatus of headings 8401 to 8479, or parts thereof; articles of heading 8481 or 8482 or, provided they constitute integral parts of engines or motors, articles of heading 8483;
- Electrical machinery or equipment (chapter 85);
- Articles of chapter 90 (optical/measuring/precision instruments);
- Articles of chapter 91 (clocks and watches);
- Arms (chapter 93);
- Lamps or lighting fittings of heading 9405; or
- Brushes of a kind used as parts of vehicles (heading 9603).

# Thank You

Jason Dickstein
Washington Aviation Group, PC
2233 Wisconsin Avenue, Suite 503
Washington, DC 20007

Tel: (202) 628-6777 – Fax: (202) 628-8948
Jason@WashingtonAviation.com