Custom Components & Assemblies, Inc.

ISO 9001:2015 Quality Manual

Quality Management System Manual

Issued By:	Quality Manager		
Issued Date:	9-01-17	Revision:	B
Approved by:	President		

Approval

The signatures below certify that this management system manual has been reviewed and accepted. Demonstrates that the signatories are aware of all the requirements contained herein and are committed to ensuring their provisions.

Description	Name	Signature	Position	Date
Prepared By	Cory Norris	*Cory Norris*	Quality Manager	9-01-17
Reviewed By	Greg Toellner	*Greg Toellner*	Purchasing Manager	9-01-17
Approved By	Mark Cruze	*Mark Cruze*	President/Owner	9-01-17

Amendment Record

This quality manual is reviewed to ensure its continuing relevance to the systems and process that it describes. A record of contextual additions or omission is given below:

Page No.	Reason	Revision	Date
ALL PAGES	Revised to the ISO 9001:2015 Standard	B	09-01-17

Company Proprietary Information

The Electronic Version of this document is the latest revision. It is the responsibility of the individual to ensure that any paper material is the current revision. The printed version of this manual is uncontrolled except when provided with a reference in the field below:

Document Reference:_____QMS1_____ **Revision:__B_____**

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1. Scope

1.1 Introduction

1.1.1 It is our policy at Custom Components & Assemblies, Inc. hereinafter called CCA, to procure, manufacture and service our customer's products that comply with contractual and regulatory requirements in a controlled, safe and environmentally conscious manner while constantly aiming to increase efficiency by continuously improving methods and processes.

1.1.2 CCA has developed and implemented a quality management system to demonstrate its ability to consistently provide product that meets customer requirements, and to address customer satisfaction through the effective application of the system including continual improvement and prevention of nonconformities.

1.1.3 The quality system complies with the International Standard ISO 9001:2015.

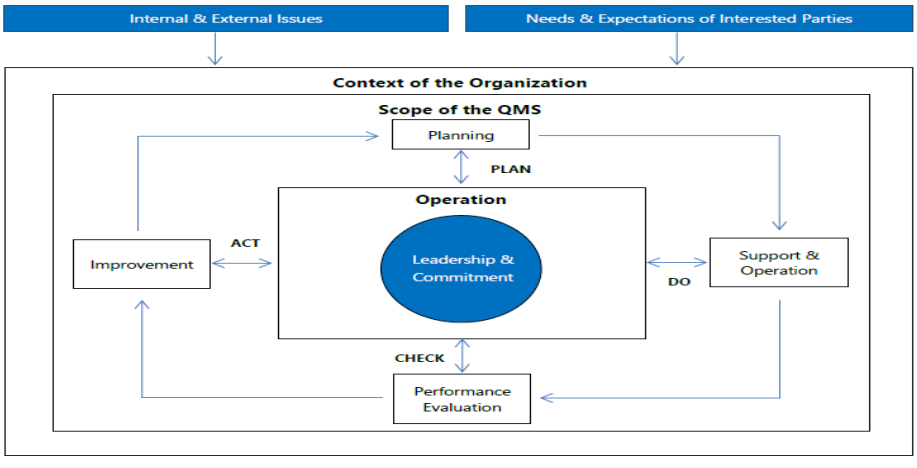
1.1.4 This manual is divided into sections modeled on the sectional organization of the ISO 9001:2015 standard. Sections are further divided into several subsections representing main quality system processes. Each subsection defines general policies and basic principles for the pertinent quality system process; summarized responsibilities and methods; and references relevant operational procedures and other documents.

1.1.5 The purpose of this manual is to define and describe the quality system, to define authorities and responsibilities of the management personnel involved in the operation of the system, and to provide a general description of all processes comprising the quality system.

1.1.6 Another purpose of this manual is to present the quality system to customers, suppliers, regulators and interested parties, and to inform them to what specific controls are implemented at CCA to ensure a high level of quality performance.

1.1.7 The figure below illustrates our methodology for the development of our QMS, Using the plan, do, check and act process approach, to implement and deliver management system objectives, stakeholder requirements and environmental compliance.

Figure 1: ISO 9001:2015 QMS & PDCA Interaction



1.1.8 The Scope of CCA Quality Management System is "CCA provides, manufactures, and assembles a wide range of products for customers in many different industries. It is our responsibility to respond to our customer's needs and demands by having available stocking programs to lower the need for our customers to have large inventory for commonly used items. CCA provide complete packages utilizing multi-processes. CCA produces components as well as offering sub-assemblies and complete assemblies that are successfully used in a diverse range of industries such as:

Valve Industry	Foam Injection Molds/Fixtures
Water Sprinkler Systems	Exercise Equipment
Flow Regulation Systems	Transportation Businesses.
Power & Gas Sectors	Recreational Businesses.

1.2 Application

1.2.1 The quality management system defined in this manual applies to the manufacture and distribution of machined and fabricated products in accordance with customer requirements.

1.3 Exclusions

1.3.1 The quality management system shall be relevant to the nature of CCA.

1.3.2 CCA is excluded from clause 8.3 Design and Development of ISO 9001:2015.

Clause	Justification for Exclusion
Clause 8.3 Design and Development	We exclude design and development from our QMS, As we do not design or develop products. All components are produce to customer requirements or drawings.

1.3.3 ISO 9001:2015 requirements may be excluded only when the following three conditions are met:
- The requirement must be within ISO 9001:2015 Clause 8, Operation.
- The exclusion may not affect our ability, nor absolve us from the responsibility, to provide product that meets specified requirements.
- The exclusion may not affect the ability to carry out corrective or preventative actions.

1.3.4 Processes which are applicable, but which are performed by outside contractors, do not qualify for exclusion. They are accounted for in the quality system to ensure control over such outsourced processes.

1.3.5 The Operations Manager, or Quality Manager are responsible for identifying those requirements of ISO 9001:2015 that do not apply to CCA. or our product, and to report it to top management that such requirements should be excluded from the scope of the quality system.

1.3.6 Top management evaluates the proposed exclusions and determines whether they are appropriate. The evaluation and approval of the exclusions are conducted within the framework of the management review of the quality system. Standard Operational Procedure SOP 93-01 Management Review.

1.3.7 Any exclusion taken is documented in this section of the quality manual. The excluded requirements are precisely identified with reference to specific clauses and/or statements in the ISO 9001:2015 standard. There is also a brief justification why the exclusion is taken and why it is appropriate.

2. References

2.1 Reference Documents used for the Quality Management system, testing, production, and inspection.

- ISO 9001:2015

3.1 TERMS AND DEFINITIONS

3.1.1 ACCEPTANCE CRITERIA – The Specified limits placed on the characteristic of an item or process as defined in engineering documents, customer specifications or other standards.

3.1.2 **APPROVAL –** The act of endorsement and/or the addition of positive authorization by signature (Initials, stamp, name in computer file) and date.

3.1.3 **AUDIT –** Systematic, independent and documented process for obtaining audit evidence and evaluating it objectively to determine the extent to which audit criteria are fulfilled.

3.1.4 **AUDIT CRITERIA –** Set of policies, procedures or requirements used as a reference.

3.1.5 **AUDIT CONCLUSION** – Outcome of an audit provided by the audit team after consideration of the audit objectives and all audit findings.

3.1.6 **AUDIT EVIDENCE RECORDS –** Statements of fact or other information which are relevant to the audit criteria and verifiable.

3.1.7 **AUDIT FINDING –** Results of the evaluation of the collected audit evidence against audit criteria. (NOTE: Audit findings can indicate either conformity or nonconformity with audit criteria, or opportunities for improvement.

3.1.8 **AUDIT PROGRAM –**Set of one or more audits planned for a specific time frame and directed towards a specific purpose.

3.1.9 **AUDIT TEAM –** One or more auditors conducting an audit.

3.1.10 **AUDITEE –** Organization being audited.

3.1.11 **AUDITOR –** Person with the competence to conduct an audit.

3.1.12 **Job Boss –** Software program for the CCA operating system. It is a Progression Series that all of the computers are networked

3.1.13 **CALIBRATION –** Comparison of a measurement standard or instrument of known accuracy over its working range with a standard or instrument of known greater accuracy to detect, correlate, or eliminate by adjustment, any variation in the accuracy of the item being compared.

3.1.14 **CAPABILITY -** Ability of an organization, system, or process to realize a product that will fulfill the requirements for that product.

3.1.15 **CHARACTERISTIC –** Any property or attribute of an item, process or service that is distinct, describable and measurable.

3.1.16 **CERTIFIED MATERIAL TEST REPORT** – A document approved by an authorized company representative that contains sufficient data and information required by our customer. Such data may include the actual results of chemical analysis, heat treatment and/or all specified tests and examinations and that is traceable to a specific lot or batch of material.

3.1.17 **COMPETENCE –** Demonstrated ability to apply knowledge and skills.

3.1.18 **CONCESSION –** Permission to use or release a product that does not conform to specified requirements.

3.1.19 **CONFORMITY –** Fulfillment of a requirement.

3.1.20 **CONTINUAL IMPROVEMENT** – A recurring activity to increase the ability to fulfill requirements.

3.1.21 **CORRECTION –** Action taken to eliminate a detected nonconformity.

3.1.22 **CORRECTIVE ACTION -** Action to eliminate the cause of a detected nonconformity or other undesirable situation (NOTE: There is a distinction between correction and corrective action).

3.1.23 **CUSTOMER –** The immediate purchaser of a product, which may be the final user or a resale party.

3.1.24 **CUSTOMER SATISFACTION –** Customer's perception of the degree to which the customer's requirements have been fulfilled.

3.1.25 **DEFECT -** Non-fulfillment of a requirement related to an intended or specified use (NOTE: The distinction between defect and nonconformity is important as it has legal connotations, particularly those associated with product liability issues; consequently, the term "defect" should be used with extreme caution).

3.1.26 **DESIGN** – A detailed plan for an item.

3.1.27 **DESIGN ACCEPTANCE CRITERIA –** Defined limits placed on characteristics of materials or products established by the customer to ensure conformance to the product design.

3.1.28 **DESIGN AND DEVELOPMENT –** Set of processes that transform requirements into specified characteristics or into the specification of a product, process or system.

3.1.29 **DESIGN REQUIREMENTS –** Constraints imposed on the design by an Engineering Specification.

3.1.30 **DEVIATION PERMIT -** Permission to depart from the originally specified requirements of a product prior to realization.

3.1.31 **DOCUMENT** – Information and its supporting medium.

3.1.32 **DOCUMENTATION –** The written and/or pictorial information describing, defining, specifying, reporting or certifying activities, procedures, requirements or results.

3.1.33 **EFFECTIVENESS** - Extent to which planned activities are realized and planned results are achieved.

3.1.34 **FOLLOW-UP AUDIT -** A special audit performed to verify that corrective action has been implemented and that the action was effective in preventing or minimizing recurrence.

3.1.35 **INDEPENDENCE** - Freedom from bias and external influence; provides for objectivity and impartiality.

3.1.36 **INFORMATION** - Meaningful data.

3.1.37 **INFRASTRUCTURE -** System of facilities, equipment and services needed for the operation of an organization.

3.1.38 **INSPECTION** – Conformity evaluation by observation and judgment accompanied, as appropriate, by measurement, testing or gauging.

3.1.39 **INSPECTION RECORD -** Document stating results (data) concerning inspection activities.

3.1.40 **LEAD AUDITOR -** The individual who manages the audit team during an audit.

3.1.41 **MANAGEMENT SYSTEM –** A system to establish policy and objectives and to achieve those objectives.

3.1.42 **MEASUREMENT CONTROL SYSTEM** – Set of interrelated or interacting elements necessary to achieve metrological confirmation and continual control of measurement processes.

3.1.43 **MEASURING AND TEST EQUIPMENT** – Devices used to measure, gage, test, inspect or otherwise examine items to determine compliance with requirements.

3.1.44 **MEASUREMENT PROCESS –** Set of operations to determine the value of a quantity.

3.1.45 **METROLOGICAL CONFIRMATION –** Set of operations required to ensure that measuring equipment conforms to the requirements for its intended use. (NOTE: Generally includes calibration or verification, any necessary adjustment or repair, and subsequent recalibration, comparison with the metrological requirements for the intended use of the equipment, as well as any required sealing and labeling).

3.1.46 **MEASURING EQUIPMENT – Measuring** instrument, software, measurement standard, reference material or auxiliary apparatus or combination thereof necessary to realize a measurement process.

3.1.47 **METROLOGICAL CHARACTERISTIC** – Distinguishing feature, which can influence the results of measurement.

3.1.48 **METROLOGICAL FUNCTION -** Function with organizational responsibility for defining and implementing the measurement control system.

3.1.49 **NONCONFORMITY** – Non-fulfillment of a specified requirement.

3.1.50 **OBJECTIVE EVIDENCE –** Data supporting the existence or verity of something.

3.1.51 **OBSERVATION –** A concern or weakness detected in an element in the management system, but is not a nonconformance; a condition that may become a nonconformance if not addressed; an opportunity for improvement.

3.1.52 **OPENING MEETING** - The introductory meeting between the auditor(s) and the auditee's representative, at which time the overview of the planned audit is presented.

3.1.53 **ORGANIZATION –** Group of people and facilities with an arrangement of responsibilities, authorities and relationships.

3.1.54 **ORGANIZATIONAL STRUCTURE –** Arrangement of responsibilities, authorities and relationships between people.

3.1.55 **PRE-AWARD SURVEY -** An activity conducted prior to a contract award and used to evaluate the overall quality capability of a prospective supplier or contractor.

3.1.56 **PREVENTIVE ACTION –** Action to eliminate the cause of a potential nonconformity or other undesirable potential situation.

3.1.57 **PROCEDURE -** Specified way to carry out an activity or process.

3.1.58 **PROCESS** – Set of interrelated or interacting activities, which transforms inputs into outputs. Inputs to a process may be outputs from other processes. Processes in an organization are generally planned and carried out under controlled conditions to add value. A process where the conformity of the resulting product cannot be readily or economically verified is frequently referred to as a "special process".

3.1.59 **PRODUCT –** Result of a process. For the purposes of its ISO 9001 Certification, CCA products consist of machined and fabricated materials.

3.1.60 **PROJECT –** Unique process, consisting of a set of coordinated and controlled activities with start and finish dates, undertaken to achieve an objective conforming to specific requirements, including the constraints of time, cost and resources.

3.1.61 **QUALITY –** Degree to which a set of inherent characteristics fulfils requirements.

3.1.62 **QUALITY ASSURANCE** – Part of quality management focused on providing confidence that quality requirements will be fulfilled.

3.1.63 **QUALITY CONTROL** – Part of quality management focused on fulfilling quality requirements.

3.1.64 **QUALITY IMPROVEMENT –** Part of quality management focused on increasing the ability to fulfill quality requirements.

4. About Our Organization

4.1 Organizational Context

4.1.1 Custom Components & Assemblies, Inc. hereinafter called CCA, is committed to defining our position in the marketplace and understanding how relevant factors arising from legal, political, economic, social, and technological issues influence our strategic direction and our organizational context.

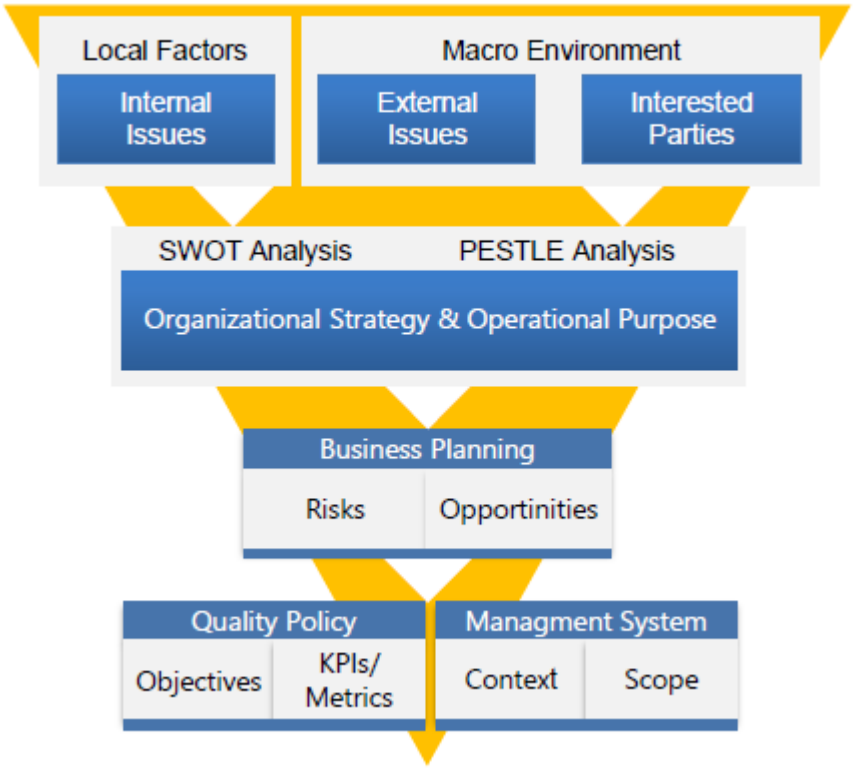
4.1.2 CCA identifies, analyzes, monitors and reviews factors that may affect our ability to satisfy our customers and interested parties, as well as; factors that may adversely affect the stability of our process, or our management system's integrity.

4.1.3 To ensure that our QMS is aligned with our strategy, whilst taking account of relevant internal and external factors; we initially collate and analyze pertinent information in order to determine potential impact on our context and subsequent business strategy. Such issues include factors that are capable of being affected by or capable of affecting our organization. Broadly, these issues are defines as:

1. **Internal Issues**- conditions related to our organizational activities, products, services, strategic direction, culture, people, knowledge, processes, and systems, Using SWOT analysis provides our organization with framework for reviewing and evaluating our strategies, and the position and direction of our organization, business propositions and other ideas: See Figure 2
2. **External Issues**- conditions related to cultural, social, political, legal, regulatory, financial, technological, economic, competition at local, national or international levels. Using PESTLE analysis provides our organization with framework for measuring our market and

growth potential according to external political, economic, social, technological, legal and environmental factors.

Figure 2: QMS Stategy Input Hierarchy



4.1.4. CCA then monitors and reviews this information to ensure that a continual understanding of each group requirements is derived and maintained. To facilitate the understanding of our context, we regularly consider issues that influence our context during management review meetings. The results of which are conveyed via MRM minutes.

4.1.5. Although we acknowledge that ISO 9001:2015 does not require our organizational context to be maintained as documented information, we maintain and retain; in addition to this document, the following documented information to describe out organizational context:

1. SWOT Analysis to help understand internal issues;
2. PESTLE Analysis to help understand external issues;
3. Analysis of business plans, strategies, and stator and regulatory commitments;
4. Analysis of technology and competitors;
5. Economic reports from relevant business sectors.
6. Technical reports from technical experts and consultants;
7. Minutes of meetings (MRM), Process maps and reports, etc.

4.1.6 The outputs from these activities are evident as an input to determining the scope of our QMS **(Refer to section 4.3)** and its processes **(Refer to section 4.4)** as well as, the consideration of

risk and opportunities that may affect our qms, and the resulting actions that we take to address them **(refer to section 6.1)**

4.1.7 SWOT analysis provides our organization with framework for reviewing and evaluating our strategies, and the position and direction of our organization with framework for measuring our market and growth potential according to external political, economic, social, technological, legal and environmental factors.

4.2. **Relevant Interested Parties**

4.2.1. CCA recognizes that we have a unique set of interested parties. The effect or potential effect on our organizations ability to consistently provide products and services that meet our customer and applicable statutory and regulatory requirements. CCA has determined the following:

- The interested parties relevant to the QMS;
- The requirements of the identified interested parties relevant to the QMS;

Interested Parties	Needs & Expectations
Customers	Price, reliability & value, OTD, Quality
Owners/Shareholders	Profitability & Growth
Employees	Shared Values & security
Suppliers	Beneficial relationships
Regulatory & Statutory	Compliance & Reporting
Distributers & retailers	Quality, price & Logistics

4.2.2. To ensure that our products and processes continues to me all relevant requirements, we identify and assess the potential impact of any relevant needs and expectations that may be elicited for the interested parties. Where appropriate, to ensure that our processes are aligned to deliver the requirements which become inputs to our QMS and to our product and service.

4.3. Quality Management System

4.3.1. Based on the scope of our activities described in **Section 1** – Introduction and the analysis of the issues and requirements identified in **Sections 4.1 and 4.2**, CCA has established the scope of our quality management system in order to implement our objectives and our policies that are relevant to our context, products, and any interested parties.

4.3.2. In order for QMS to be robust, all the activities, products and services undertaken by CCA are included with in the scope of our QMS. In this way we are able to control and influence our activities, products and services.

4.3.3. This document describes our quality management system, delineates authorities, inter-relationships and responsibilities of process owners and personnel that operate within the system. Although we recognize that ISO 9001:2015 does not require a quality manual, we have decided to retain and update our quality manual, as our employees, customers, suppliers and other interested parties perceive it to add value to our operations. This document also demonstrates the relationships between our quality management system and the sequence and interaction of our key process. Conformance to ISO 9001:2015 has been verified utilizing a formal assessment and review process by SAI Global Registrar.

4.4. Quality Management System & Its Processes

4.4.1. CCA has implanted a quality management system that exist as part of a larger strategy that has established, documented ad implemented our process, quality policies and objectives, whilst satisfying the requirement of ISO 9001:2015.

4.4.2. To achieve this, CCA has adopted the process approach advocated by ISO 9001:2015. Top management has determined the processes required for achieving the intended outputs. By defining three key process-groups and by managing their inputs, activities, controls, outputs and interfaces; We ensure that system effectiveness is established maintained. These key process groups include;

1. **Management & review process;**
2. **Operation and production processed;**
3. **Support and assurance process;**

Figure 3 : Key Process Groups

4.4.3. These process groups are described using tools such as documented procedures, process maps, flow diagrams, matrices, schedules, and charts, etc. **Refer to Appendix A.2** which shows the sequence and interaction of the process groups within our management system.

4.4.4. It is recognized that defining implementing and documenting our quality management system is only the first step towards fully implementing it requirements. The effectiveness of each process and its subsequent output is measured and evaluated through regular internal audits, quality inspections and data analysis.

4.4.5. The Monitoring of key performance indicators (KPIs, which are linked to our objectives, are used to measure and communicate process performance. This approach allows Top Management to regularly review the QMS to ensure its ongoing integration within the business.

4.4.6. As part of the decision making process, we use trends and statistical data related to non-conformities, quality related, targets, objectives and corrective actions, as well as, monitoring and measurement results, audit results and compliance data, to ensure that objectives, and responsible management decisions are made.

4.4.7. Where CCA identifies the requirement to outsource any process, or part thereof, which affects conformity with the stated requirements; CCA identifies control criteria such as; the competence of personnel, inspection regimes, the provision if product conformity certificates, adherence to specifications and specific job files, etc.

4.4.8. The controls identified do not absolve us of the responsibility to conform to client, statutory and regulatory requirements but instead they enhance our capacity to effectively manage our supply chain. The controls adopted are influenced by the potential impact of outsourcing on meeting customer requirements and the degree to which control of the process is shared. Outsourced are controlled via purchasing and contractual agreements. Refer to Section 8.4

5. Leadership & Governance

5.1. Leadership and Commitment

5.1.1. General

CCA's leadership is also responsible for implementing the QMS, Which includes the development and deployment of the quality policy, the quality objectives, and product/project-specific plans that are customer focused.

Top management provides leadership and governance to all activities related to the lifecycle processes including defining the strategic direction, responsibility, authority, and communication to assure the safe and effective performance.

CCA governance structure provides necessary support for creating and establishing appropriate processes that are important for maintaining and achieving our quality objectives and policies.

In addition, governance activities include systemic verification of the effectiveness of our QMS by undertaking internal audits and analyzing performance data. Regular management reviews ensure that our quality management system is adequate and effective, and that necessary adjustments are made as a result.

Top management is committed to implementing and developing the quality management system and this commitment is defined by our policies and objectives. CCA ensures that our policies are understood, implemented and maintained throughout all levels of the Organization through printed distribution of our policy statements and through periodic management review of the policy statements. CCA communicates our quality policy, strategy, policies, procedures and processes to all employees in order to:

1. Create and sustain shared values of fairness and ethical behavior;
2. Establish a culture of trust and integrity;
3. Encourage commitment to quality;
4. Provide people with the required resources, training and authority to act with accountability;
5. Inspire, encourage and recognize people's contribution.

In addition our policies, objectives and targets are communicated and deployed throughout the business.

5.1.2 Customer Focus

CCA strives to identify current and future customer needs, to meet their requirements and to exceed their expectations. Top management ensures that the focus on improving customer satisfaction is maintained by setting and reviewing objectives related to customer satisfaction at management review meetings.

Top management also ensures that customer requirements are understood and met. Customer requirements are understood, converted into internal requirements and communicated to appropriate personnel within the Organization. Customer complaints and other customer feedback

are continually monitored and measured to identify opportunities for improvement. We continually look for ways to interact directly with our customers to ensure that we focus on their unique needs and expectations.

5.2 Quality Policy

5.2.1 Establishing

The quality policy acts as a compass by providing the direction and framework for establishing key company performance measures, as well as related objectives and targets. Top management ensures that our policies are established and documented.

The Quality Manager has overall responsibility for defining, documenting, implementing and reviewing our quality policy in consultation with the management teams and other personnel, or their representatives. The policy is reviewed at least annually, as part of the management review program or at a frequency determined by:

1. The changing needs and expectations of relevant interested parties, **Section 4.2**.

2. The risks and opportunities that are presented through the risk management process, **Section 6.**

5.2.2 Communicating

The quality policy is communicated to all employees at all levels throughout our organization via training, regular internal communications and reinforcement during annual employee performance reviews. Employee understanding of our policies and objectives is determined during internal audits and other methods deemed appropriate.

5.2.3 Quality Policy Statement

Custom Components & Assemblies, Inc. is committed to an operating philosophy based on openness in communication, integrity in serving our customers, fairness and concern for our employees and responsibility to the communities within which we operate. Our vision is to exceed customer expectations for quality, safety, sustainability, cost, delivery and value. Additionally, we are dedicated to creating a profitable business culture that is based on the following principles:

OUR PEOPLE
Custom Components & Assemblies, Inc. is committed to equality in employment opportunity and rewards, embracing wholeheartedly the cultural diversity within the communities we call home. Our employees' welfare and interests are foremost throughout all aspects of our business and how we conduct our affairs Custom Components & Assemblies, Inc. is committed to:

- Creating and nurturing an environment of success based on honesty and integrity;
- Equitable sharing in the success of the company;
- Empowerment through training and communication;
- Individual growth and equal opportunity;
- Designing and providing a safe and secure work environment.

OUR CUSTOMERS

Customer needs are paramount and represent the highest priority within our business. Our obligation is to proactively seek out and define customer needs while addressing all requests expeditiously without creating false expectations.

OUR COMMUNITY

Custom Components & Assemblies, Inc. is committed to supporting the communities within which we operate. We believe in the practice of social responsibility and encourage similar behavior in our employees and suppliers. We support the conservation of the physical environment and the prevention of pollution at our facilities. We proactively comply with all applicable safety, environmental, legal and regulatory requirements to which we subscribe.

OUR QUALITY

Beginning with a clear definition of customers' expectations, we strive to consistently meet or exceed them. We adhere to all applicable standards and customer specific requirements and endeavor to provide processes that ensure we achieve this in order to build a robust and world class business.

5.3 Role, Responsibilities and Authorities

Our organizational structure is defined in Appendix A.3. The Organization chart shows the interrelation of personnel within Custom Components & Assemblies, Inc., whilst job descriptions define the responsibilities and authorities of each role. Job descriptions and the Organizational structure are reviewed and approved by Top management for adequacy as determined by the changing needs and expectations of the interested parties identified in **Section 4.2**, and any risk and opportunities presented through the risk management process, **Section 6.1**.

Members of Top management are ultimately responsible for the quality of Custom Components & Assemblies, Inc. products and services since they control the resources, systems and processes by which conforming work is accomplished. Top management are responsible for business planning, development and the communication of our policies, quality management system

planning, the establishment and deployment of objectives, the provision of resources needed to implement and improve the quality management system and for undertaking management reviews. Top management has assigned the responsibility and authority to the management teams and departments to:

1. Ensure that QMS processes are delivering their intended outcomes;
2. Report on the operation of the QMS and identifying any opportunities;
3. Ensure that improvement is taking place;
4. Ensure that customer focus is promoted throughout the organization;
5. Ensure that whenever changes to the QMS are planned and implemented;
6. Ensure the integrity of the system is maintained during changes;
7. Ensure that responsibilities and authorities relating to the QMS are communicated and understood.

All managers demonstrate their commitment to the development and improvement of the quality management system through the provision of necessary resources, through their involvement in the internal audit process and through their proactive involvement in continual improvement activities. Emphasis is placed on improving both the effectiveness and efficiency of key system processes.

All managers are responsible for execution of the business plan and the implementation of the policies, processes and systems described in this manual. All managers are responsible for planning and controlling the management system processes within their area of responsibility, including the establishment and deployment of operational level objectives and the provision of resources needed to implement and improve these processes.

All employees are responsible for the quality of their work and implementation of the policies and procedures applicable to processes they perform. Employees are motivated and empowered to identify and report any known or potential problems and to recommend related solutions to aid the corrective and preventive action process.

5.4 Communication

5.4.1 Internal Communication

Custom Components & Assemblies, Inc. communicates information internally regarding our QMS and its effectiveness, through documented training, internal audit reports and continual improvement processes. All managers are responsible for establishing regular formal and informal

communications as needed to convey to their employees the relevance and importance of their activities; typically, this information is conveyed through team meetings and cross-functional improvement projects.

Communications regarding how employees contribute to the achievement of objectives are also conveyed and reinforced during employee performance reviews. Issues pertaining to our QMS that may be communicated internally include:

1. Day-to-day operations and general awareness;
2. Quality policy;
3. Information on achieving objectives and targets;
4. Risk and opportunities.

Top management and their direct reports are responsible for communicating the corporate policies as well as the importance of meeting customer, statutory and regulatory requirements to employees within their respective departments. They ensure the quality policy is understood and applied to the daily work of the organization through the establishment of measurable goals and objectives. Internal communication occurs on an on-going basis and is achieved through various mechanisms as appropriate:

1. Regular meetings and briefings;
2. Training sessions and training material;
3. Display boards, memorandums, letters;
4. Website, intranet, internal e-mails;
5. Product and process performance data analysis and audit results;
6. Targets, objectives, scorecards, KPIs, management system manual and procedures;
7. Corrective action and non-conformance reports;
8. Minutes of scheduled meetings.

5.4.2 External Communication

Custom Components & Assemblies, Inc. determines the need to communicate information externally to our interested parties, as defined in **Section 4.2**, regarding the effectives of our QMS. In most instances, external interested parties are the main driving force for our organization to

implement our QMS. The various processes or means of external communication may include as appropriate:

- Interested Party's Needs & Expectations Possible modes of Communication
- Customer's Price, reliability & value publications.
- Owner Profitability & growth Annual reports or newsletters of performance
- Suppliers Beneficial relationships
- Publications on our website, meetings or questionnaires
- Regulatory & statutory
- Compliance & reporting
- Regulatory compliance submissions or results of audits

Custom Components & Assemblies, Inc. ensures that all external communications are authorized prior to release. Where required, advice appropriate to the context of the communication may be sought concerning the content and dissemination of certain external communications. Responses to external communications are recorded if they are transmitted by email or letter. In each case the response is retained and controlled in accordance with the requirements for documented information.

6 Management System Planning

6.1 Addressing Risks & Opportunities

The overall aim of risk and opportunity management within Custom Components & Assemblies, is to ensure that organizational capabilities and resources are employed in an efficient and effective manner to take advantage of opportunities and to mitigate risks.

Top management is responsible for incorporating risk based thinking in to our organization's culture. This includes the establishment of risk management policies and targets to ensure effective implementation of risk and opportunity management principles and activities by:

1. Providing sufficient resources to carry out risk and opportunity management activities;
2. Assigning responsibilities and authorities for risk and opportunity management activities;
3. Reviewing information and results from audits and risk and opportunity management activities.

The scope Custom Components & Assemblies, Inc. risk and opportunity management process includes the assessment of the internal and external issues identified in **Section 4.1**, and the assessment of the

needs and expectations of any interested parties identified in **Section 4.2**. Risk and opportunity management is undertaken as part of Custom Components & Assemblies, Inc. day-to-day operations and is captured at the following hierarchy:

1. Strategic level;
2. Programme level;
3. Department level;
4. Process level;

Establishing such a hierarchy for capturing risk and opportunity ensures that each is managed at the most appropriate level within our Organization. Typically, the following categories are assigned to each level in the hierarchy as shown in the table opposite.

Business Hierarchy	Risk/Opportunity
Strategic Level	Budgets and Profitability
Programme Level	Performance and efficiency
Department Level	Resources and targets
Process Level	Evaluation and assurance

Custom Components & Assemblies, Inc. has classified its 'risk appetite' as the amount of risk that we are willing to accept in pursuit of an opportunity or the avoidance of risk where each pertains to product and/or system conformity, and which reflect the following considerations:

1. Risk management philosophy per product or process;
2. Capacity to take on or mitigate risk;
3. Our objectives, business plans and customer demands;
4. Evolving industry and market conditions;
5. Tolerance for failures.

6.2 Quality Objectives

Custom Components & Assemblies, Inc. sets out its objectives and targets on a regular basis within the management review minutes where details of program dates and responsibilities are defined. Improvements in quality and performance are incremental and are in keeping with the size and complexity of our organization.

When setting objectives and targets, our organization ensures that they are consistent with the needs and expectations of our interested parties, as defined in Section 4.2, and to our corporate policies. In addition, technological options, financial, operational and business requirements are considered.

To determine whether our objectives and targets are being met, they are measured and reported as a set of key performance indicators (KPI). This allows progress to be monitored as metrics are gathered and data is analyzed. KPIs and objectives for our Organization include the following aspects:

1. Turnover & profitability;
2. Sales targets & production efficiency targets:
3. Reject and rework & scrap targets;
4. Staffing breakdown.

Based on the set quality policies and in connection with the application of the ISO 9001 quality management principles, Custom Components & Assemblies, sets quality objectives that are specified in the register of objectives. All employees are responsible for fulfillment of the quality policies and subsequent objectives. Managers of all departments are obliged to develop general objectives into objectives applicable to their departments and employees. Quality Objectives are set in the Management Review Meeting. The objectives can be seen in the management review minutes.

6.3 Planning for Change

The quality management system is planned and implemented to meet our company objectives and the requirements of ISO 9001:2015. The planning process involves establishing and communicating our policies, objectives and associated operational procedures.

This document constitutes our overall plan for establishing, maintaining and improving the quality management system. For each instance of management system planning, the output is documented and retained accordingly, and changes are conducted in a controlled manner. The management review and the internal audit processes ensure that the integrity of the QMS is maintained when significant changes are planned which may affect key processes. Whenever quality management system changes are planned, Top

management ensures that all personnel are made aware of any changes which affect their process, and that subsequent monitoring is undertaken to ensure that QMS changes are effectively implemented.

7 Support

7.1 Resources

7.1.1 General

Resources at Custom Components & Assemblies, include human resources and specialized skills, infrastructure, technology, work environment and financial resources. The resource requirements for the implementation, management, control and continual improvement of the quality management system, and activities necessary to enhance customer satisfaction, are defined in our operational procedures, work instructions and the following sections of this QMS manual:

1. **Planning; Section 6.0**
2. **Management review; Section 9.3**
3. **Human resources; Section 7.1.2**
4. **Infrastructure; Section 7.1.3**
5. **Work environment; Section 7.1.4**
6. **Planning of product realization; Section 8.1**
7. **Determination of customer requirements; Section 8.2**

7.1.2 People

To ensure competence of our personnel, job descriptions have been prepared identifying the qualifications, experience and responsibilities that are required for each position that affects product and system conformity. Qualifications include desired requirements for education, skills and experience. Appropriate qualifications, along with the provision of any required training, provide the competence required for each position.

Qualifications are reviewed upon hire, when an employee changes positions or the requirements for a position change. The Human Resources Manager maintains records of employee qualifications. If any differences between the employee's qualifications and the requirements for the job are found, training or other action is taken to provide the employee with the necessary competence. The results of training are then evaluated to determine if it was effective.

Employees are made aware of the relevance and importance of their activities and how they contribute to the achievement of our policies and objectives. The company operates a formal system to ensure that all employees within the Organization are adequately trained to enable them to perform their assigned duties.

Staff training records are maintained to demonstrate competency and experience. The Human Resources Manager maintains and reviews the training records to ensure completeness and to identify possible future training needs. Training records are maintained and include as a minimum; copies of certificates for any training undertaken to date, current job description and curriculum.

Competence

Top management identifies emerging competency needs during management reviews. Emergent competency needs are converted into job descriptions for the type and number of positions that need to be filled through internal or external recruitment. Where required; competency training and monitoring is conducted in-house, although for more specialist skills, external courses are utilized. The effectiveness of training is evaluated and recorded. The company induction includes an introduction to our policies and objectives. Future competency training needs are identified as part of the Management Review process.

Awareness

All employees are trained on the relevance and importance of their activities and how they contribute to the achievement of our policies and objectives. The company operates a formal system to ensure that all employees within the Organization are adequately trained to enable them to perform their assigned duties.

Where required; awareness training and monitoring is conducted in-house, although for more specialist skills, external courses are utilized. The effectiveness of awareness training is evaluated and recorded. The company induction includes an introduction to our Organization's policy statements and objectives. Future training needs are identified as part of the management review process.

7.1.3 Infrastructure

Custom Components & Assemblies, Inc. is responsible for planning, providing and maintaining the resources needed to achieve product and process conformance, including buildings, workspace and associated utilities; process equipment (hardware and software); and supporting services. The Quality Manager has overall responsibility for managing our services.

7.1.4 Operational Environment

Custom Components & Assemblies, Inc. ensures that our office complies with relevant health and safety regulations. The Compliance Manager carries out regular compliance audits to ensure that appropriate standards are maintained. Top management is committed to providing:

1. A place of work that is safe, including all equipment and methods of work;
2. Training, instruction, information and supervision for employees;
3. A means of safe handling, storage, use and transportation of equipment, materials and chemicals;
4. Safe working environment with good lighting, ventilation, safe passageways, stairs and corridors.

7.1.5 Organizational Knowledge

Custom Components & Assemblies, Inc. recognizes that organizational knowledge is a valuable resource that supports our quality management activities and ensures continual product and service conformity. There is a strong link between Organizational knowledge and the competence of our people, the latter being peoples' ability to apply knowledge to their work.

To ensure that Organizational knowledge is retained and transferred, Organizational knowledge is recorded in documented information, and is embedded in our processes, products and services.

Examples of Organizational knowledge include:

1. Documented information regarding a process, product or service;
2. Previous specifications and work instructions;
3. The experience of skilled people and their processes and operations;
4. Knowledge of technologies and infrastructure relevant to our Organization.

Sources of internal knowledge also include our intellectual property; knowledge gained from experience and coaching; lessons learnt from failures and successes; capturing and sharing undocumented knowledge and experience; the results of improvements in processes, products and services.

Sources of external knowledge often include other ISO standards; research papers; webinars from conferences; or knowledge gathered from customers, stakeholders or other external parties. Custom Components & Assemblies, determines and reviews internal and external sources of knowledge, such as:

1. Lessons learnt from non-conformities, corrective actions, and the results of improvement;
2. Gathering knowledge from customers, suppliers and interested parties, benchmarking against competitors;
3. Capturing knowledge existing within the Organization, e.g. through mentoring/succession planning;

4. Sharing knowledge with relevant interested parties to ensure sustainability of the Organization;
5. Knowledge from conferences, attending trade fairs, networking seminars, or other external events.

8 Product & Service Development

8.1 Operational Planning & Control

Custom Components & Assemblies, Inc. establishes and implements documented plans and procedures that describe the processes **(Refer to Section 4.3.2)** and the controls required for the provision of services in awareness to the objectives, the potential for planned or unintended change, and the risks and opportunities identified in **Section 6.1**. During this planning phase, management or other responsible personnel identify the following parameters:

- Objectives and requirements for the service;
- Verification, validation, monitoring, inspection and test requirements;
- Documented information to demonstrate conformity;
- Document information to demonstrate process effectiveness;
- Necessary resources; or outsourced processes and their controls;
- Criteria for process performance and product/service acceptance;
- Potential consequences and mitigation to change affecting input requirements;
- Resources necessary to support the ongoing operation of the service.

The output of planning activity includes documented plans, resource schedules, process, requirements and procedures.

8.2 Customer Requirements

8.2.1 Customer Communication

In accordance with our commitment to exceed our customer's expectations, Custom Components & Assemblies, Inc. highlights effective customer communication as an essential element of delivering customer satisfaction. Appropriate handling of customer communication helps to reduce customer dissatisfaction and in many cases turn a dissatisfying scenario into a satisfying experience.

Customer communication occurs through the following formats, events and processes:

1. Brochures, specifications or technical data sheets relating to our products and services;
2. Enquiries, quotations and order forms, invoices and credit notes;
3. Confirmation of authorized orders and amended orders;
4. E-mails, letters and general correspondence;
5. Customer feedback and complaints management process;

The Quality Manager is responsible for establishing methods of communication with our customers to ensure enquiries, contracts or order handling; including amendments, customer feedback and complaints are handled expeditiously and professionally. **Refer to QOP-72-01 Order Processing and Review Procedure.**

8.2.2 Determining Requirements

Custom Components & Assemblies, Inc. develops appropriate requirements to ensure that we satisfy the needs and expectations of our customers or relevant interested parties. Custom Components & Assemblies, Inc. ensures that customer requirements are clearly articulated and that their requirements are captured and understood before the acceptance of an order. Customer requirements include the following:

1. Previous customer requirements
2. Statutory and regulatory requirements related to the product;
3. Other non-customer specified performance requirements;
4. Any additional requirements determined by Custom Components & Assemblies, Inc.;

Refer to QOP-72-01 Order Processing and Review Procedure.

8.2.3 Review of Requirements

Prior to the commitment to supply a product to the customer, orders are reviewed to ensure the following.
- Product requirements are defined
- Any ambiguities and conflicts n contract or order requirements are resolved.
- CCA is able to meet customer requirements

Records of the results of the review and any associated actions are documented during the Contract Review Process. **Quality Operational Procedure QOP 72-01 Order Processing and Review.**

When the customer provides no documented statement of requirement, as with verbal orders, the customer requirements are confirmed before acceptance.

Change of orders and amendments are processed and reviewed using the same procedures that apply to the processing of initial orders. Changes of orders are communicated to all functions within the organization that may be affected by the change of customer requirements by e-mail notification. Processes for handling and reviewing orders and change orders are defined in **Quality Operational Procedure QOP 72-01 Order Processing and Review**.

8.2.4 Changes in Requirements

Custom Components & Assemblies, Inc. ensures that all relevant documented information; relating to changes in product or service requirements, is authorized and amended where necessary, and that all relevant personnel are made aware of the documented requirement changes.

Refer to QOP-72-01 Order Processing and Review Procedure.

8.3 Design & Development – N/A

8.4 Control of Suppliers & External Processes

8.4.1 General

The purchasing process is essential to our organization's ability to provide our customers with products and services that meet their requirements. Custom Components & Assemblies, Inc. ensures that all purchased products or services that are incorporated in to our final products; conform to our specified requirements.

Custom Components & Assemblies, Inc. accomplishes this by closely working with a network of external suppliers. Performance and capability are continually assessed through periodic, 2nd party audits, performance data analysis and inspection or verification of the supplied services.

The type and extent of control applied to our suppliers and the purchased service is dependent upon the effect that the outsourced service may have on our final service. The following considerations are taken in to account by:

1. Ensuring that we understand the capabilities and competencies;
2. Ensuring that we clearly communicate the roles and responsibilities;
3. Defining the quality requirements for the outsourced activity;
4. Selecting and qualifying appropriate suppliers.

It is the responsibility of the Purchasing Manager to evaluate and select suppliers based on their ability to supply services in accordance with specified requirements. Additionally, other internal resources may be

called on to assist as required. The criteria for the selection, evaluation and re-evaluation are defined in the Supplier Evaluation and Monitoring Procedure, while records of the results of evaluations and any necessary actions arising from the evaluation are maintained.

Refer to QOP-74-01 Supplier Evaluation and Monitoring Procedure

8.4.2 Purchasing Controls

CCA evaluates its suppliers and purchasing only from those who can satisfy quality requirements. Purchasing and Quality Assurance conducts supplier evaluations. Suppliers who meet requirements and are critical to quality are entered on the Critical Suppliers list.

Quality Assurance continually monitors supplier quality performance as well as on time deliveries. Suppliers showing inadequate performance are requested to implement a corrective action. If the corrective actions are not implemented and/or are not effective, the supplier is removed from the critical supplier list. The processes for evaluating and monitoring suppliers are defined in **Quality Operational Procedure QOP 74-01 Supplier Evaluation and Monitoring.**

Purchasing, along with quality assurance, maintains an Approved Vendor List. Orders for materials, components, and subcontractor services that have an effect on quality may only be placed with vendors on the critical suppliers list.

Purchased product are verified prior to use in production and/or dispatched to customers. Quality Assurance is responsible for selecting appropriate methods for purchased product verification and acceptance. **Quality Operational Procedures QOP 74-03 Verification of Purchased Product** defines the processes for verifying, identifying, and releasing purchased product.

Where appropriate, risk control measures are applied to outsourced processes. Risk control measures, and their importance, are documented within the purchasing data and clearly communicated to the supplier.

8.4.3 Purchasing Information

Purchasing documents are prepared by the purchasing department. The documents clearly and completely describe ordered products, including precise product identification and quality requirements. Purchasing documents are reviewed and approved prior to release. The processes for the preparation, review and approval of purchasing documents are defined in **Quality Operational Procedure QOP 74-02 Purchasing.**

8.5 Production & Service Provision

8.5.1 Control of Production & Service Provision

At this time CCA limits Post Delivery support as customer returns only.

Product manufacturing is carried out under controlled conditions. The controlled conditions include the control of the following where applicable.

Production and process information and work instruction: Information and instructions specifying product characteristics and manufacturing processes are communicated to process operators in the form of production routers, drawings, specifications, samples, work instructions, and product-specific templates, and tooling. This information is developed in the phase of production and quality planning as described in **Quality Operational Procedure QOP 71-01 Planning of Product Realization.** The resulting documents are controlled in accordance with **Quality Operational Procedure QOP 42-01 Control of Documents and QOP 75-01 Work Order and Production Records.**

Process equipment: Process equipment, machines, hardware, and software are selected on the basis of their ability to consistently produce products and provide service that meet specified requirements. Selection and maintenance of process equipment is addressed in **Quality Operational Procedure QOP 71-01 Planning of Product Realization and QOP 63-01 Equipment Maintenance.**

Monitoring and measuring equipment: Requirements for measuring and monitoring equipment are determined in accordance with product and process monitoring and measuring programs defined in product realization planning in **Quality Operational Procedure QOP 71-01 Planning and Product Realization**. The system for managing and controlling measuring and monitoring equipment is defined in **Quality Operational Procedure QOP 76-01 Measuring and Monitoring Equipment.**

Monitoring and measuring activities: Monitoring and measurement of product is implemented through the program of receiving, first article, in-process, and final inspection as defined in **Quality Operational Procedure QOP 74-03 Verification of Purchased Product and QOP 82-03 Final Inspection.** The program for monitoring and measurement of production processes is developed and implemented in accordance with **Quality Operational Procedure QOP 71-01 Planning of Product Realization and QOP 75-02 Validation of Processes.**

Product release, packaging and delivery: Products are released for shipping only after all specified production activities have been satisfactorily completed and conformity of the product and of the associated production records has been verified. **Quality Operational Procedure QOP 82-03 Final Inspection** defines the system for finished product verification and release

8.5.2 Identification & Traceability

Identification: Materials, components, and finished product are identified throughout all stages of product realization and when in storage. The system and methods for identifying product are explained in **Quality Operational Procedure QOP 75-05 Product Identification and Traceability.** Additional relevant procedures are **Quality Operational Procedure QOP 75-01 Work Order and Production Records.**

Traceability: Traceability is maintained when required by customer supplied specification, applicable laws and regulations, or when specified internally to facilitate corrective actions. Traceability is based on identifying the finished products, or batches with unique control members. Activities related to maintaining and recording traceability and addressed in **Quality Operational Procedure QOP 75-05 Product Identification and Traceability and QOP 75-01 Work Order and Production Records.**

8.5.3 Customer Property

Customer-supplied products are received and inspected following the same procedure that applies to the purchased products, i.e., Operational Procedure ***QOP-74-03 Verification of Purchased Product***. In the event the supplied products fail receiving inspection, or are not suitable for any other reason, the customer is contacted.

Marking, storage, handling, and preservation of customer supplied products follow the same procedures that apply to the purchased products. The applicable Operational Procedures are ***QOP-75-05 Product Identification and Traceability***.

Customer-owned tooling, gauges and returnable packaging are permanently marked so that ownership of each item is visually apparent.

Customer's software, documents, and other intellectual property are protected to the same extent as would internal CCA documents of similar content, unless there are contractual requirements for special measures to protect customer's intellectual property.

When specified in a contract, special handling instructions from customers will take precedent over the company's standard procedures.

Customers are immediately informed in the event of loss, damage, deterioration, or unsuitability of their products.

8.5.4 Preservation

Handling and preservation: Production is responsible for product handling and preservation; and in particular for ensuring that containers holding products are suitable and are in good condition, that equipment used for internal transportation of products is well maintained and is properly operated, and that products are adequately protected during production and storage.

Storage: Stockrooms and storage, staging, and holding areas are controlled by the department that brings in new stock or uses the area. Storage areas are appropriate to ensure adequate preservation and protection of product. Procedures and/or work instructions are established for control of product requiring special storage conditions.

Packaging, labeling and shipping: Primary packaging is boxes, bags or other packaging in which products are presented to the customers. Secondary packaging is cardboard boxes, crates, or other additional packaging intended to contain and protect products for shipping and transportation. Primary packaging and labeling is controlled by the same operational procedures applicable to production activities. Secondary packaging and shipping activities are governed by the Shipping Department

8.5.5 Post Delivery Activities

At this time CCA limits Post Delivery support as customer returns only.

8.5.6 Control of Changes

Currently CCA does not participate in any design and development functions; therefore this section of the manual is not applicable.

8.6 Release of Products & Services

The monitoring and measurement program for products is defined in drawings and specifications, production routers, purchasing documents, and in inspection and testing procedures.

Verification of purchased product: All purchased products are subjected to a visual inspection by the receiving inspector. Some designated products are also subjected to a more detailed and technical QC inspection. Processes for performing these inspections are defined in Operational Procedure ***QOP-74-03 Verification of Purchased Product***.

In-process inspections: In-process inspections are in the form of first article inspections and operator inspections. The focus is on defect prevention rather than detection. Systems for performing first article inspections are defined in Operational Procedures ***QOP-75-04 First Article Inspections***.

Final acceptance inspection: Finished products are subjected to the final QC inspection. First, inspectors verify that all specified receiving and in-process inspections have been carried out satisfactorily. Then they perform the remaining inspections and tests necessary to complete the evidence of product conformity. Only products that pass the final inspection can be packaged and shipped. Operational Procedure ***QOP-82-03 Final Inspection*** defines these activities.

Results of inspections and tests are recorded. Instructions for establishing records for specific types of inspections are defined in inspection procedures and work instructions. Filing and maintenance of inspection records are regulated by Operational Procedures ***QOP-75-01 Work Orders and Production Records*** and ***QOP-42-02 Control of Records***.

Products are released for packaging and shipping only after all specified activities have been satisfactorily completed and conformity of the product has been verified. Only personnel performing final product inspections and tests have the authority to release products. The identity of the person authorizing product release is recorded. Operational Procedure ***QOP-82-03 Final Inspection*** defines specific methods for product release.

8.7 Control of Non-conforming Outputs

Identification and documentation

Nonconforming products are documented in the Product Nonconformity Report (PNR). The report describes the nonconformity, documents the disposition decision, and records close-out of follow-up activities (re-inspection, concessions, corrective actions, etc.). The use of the PNR and its processing are explained in Operational Procedure ***QOP-83-01 Control of Nonconforming Product***.

When nonconforming product is detected after delivery or use has started, the effects, or potential

effects of the nonconformity are evaluated by Quality Assurance, and appropriate action is taken.

To prevent nonconforming products from being used or shipped, the products are marked with a REJECTED label or tag or placed in a designated holding area.

Nonconformity review and disposition

President or Quality Assurance Manager is responsible for reviewing nonconformities and deciding on the disposition of nonconforming products. In simple and routine cases this responsibility is delegated to production supervisors.

The disposition decision may be to rework, repair, accept as-is, submit a deviation or scrap.

Processes for reviewing product nonconformities, for making disposition decisions, and for recording these activities are provided in Operational Procedure ***QOP-83-01 Control of Nonconforming Product***.

Verification of reworked products

Reworked products are re-inspected to demonstrate conformity to the original requirements. Repaired products are also inspected to verify that they meet specification. These verification activities are carried out in accordance with applicable inspection instructions and procedures (refer to Operational Procedure ***QOP-82-03 Final Inspection***).

9 Performance Evaluation

9.1 Monitoring, Measurement, Analysis & Evaluation

9.1.1 General

Planning
Measurement and monitoring activities to ensure and verify product conformity are defined in engineering specifications and drawings, production routers, inspection and testing procedures, and process control procedure. These activities are further defined in **Quality Operational Procedure QOP 74-03 Verification of Purchased Product and QOP 82-03 Final Inspection.**

The conformity and effectiveness of the quality management system are monitored by internal audits and by measuring quality performance and customer satisfaction. Results of these activities are reported to top management and are used to identify opportunities for improvement.

9.1.2 Customer Satisfaction

Information related to customer satisfaction is collected and compiled from the following sources:

- Customer complaints,
- Spontaneous expressions of customer satisfaction and other feedback,

- Customer quality evaluations,
- Customer satisfaction surveys
- Product returns,

Operational Procedure ***QOP-82-01 Customer Satisfaction*** defines the responsibilities and methods for collecting the information.

Sales are responsible for developing suitable indicators of customer satisfaction, and for defining methods for collecting and analyzing the pertinent information.

Customer satisfaction is used as one of the measurements of the performance of the quality management system. For this purpose, customer satisfaction information is reported to, and evaluated by the management review of the quality system, as defined in Operational Procedure ***QOP-56-01 Management Review***.

9.1.3 Analysis and Evaluation

Data and information recorded in quality records are compiled and analyzed periodically to determine trends in the performance and effectiveness of the quality system and to identify opportunities for improvement.

Quality Assurance is responsible for coordinating these activities, and for reporting conclusions and trends to the top management. This is usually done within the framework of management reviews of the quality system, in accordance with Operational Procedure ***QOP-56-01 Management Review***.

Following categories of information and data are recorded, compiled and analyzed:

Characteristics of processes and products:

- Scrap rates
- Continual Process Improvement Input Forms

Conformity to product and customer requirements:

- Scrap rates
- On-time delivery performance

Suppliers:

- Supplier quality performance

Customer satisfaction and dissatisfaction:

- Customer satisfaction
- Customer complaints

Quality System:

- Effectiveness of training
- Results of Internal Audits

9.2 Internal Audit

Top Management and the Quality Manager are responsible for internal audits of the quality management system to determine whether the quality system:

- Conforms to quality plans, to management system requirements as defined in this quality manual and operational procedures, and to the requirements of the ISO 9001 standard,
- Is effectively implemented and maintained.

Internal audits are conducted by either internal audits or may be subcontracted to external audit firms. Internal audits are conducted in accordance with a planned program, taking into consideration the status and importance of the processes and areas to be audited, as well as the results of the previous audits.

Appropriate corrective actions are taken by management personnel responsible for the areas where nonconforming processes and/or practices are identified by the audit. Top Management follows up to ensure that the actions taken are fully implemented and are effective.

Operational Procedure ***QOP-82-02 Internal Quality Audits*** defines the processes for planning, conducting and reporting internal audits, as well as taking corrective actions and follow-ups.

9.3 Management Review

9.3.1 General

Management reviews of the quality management system are conducted at a minimum of at least once a year. More frequent reviews are scheduled in periods when organizational, technological, product, or other changes require increased attention and input from the top management. It is also within the prerogative of top management to at any time request a management review of the quality management system. The processes for initiating and conducting management reviews and for documenting their conclusions are defined in **Quality Operational Procedure QOP 56-01 Management Review.**

The purpose of the management reviews is to do the following.
-Evaluate the suitability of the quality management system,
- Evaluate the adequacy of the quality management system.
- Evaluate the effectiveness of the quality management system
- Changes to the quality management system
- Changes to the quality policy
- Changes to the quality objective
- Identify opportunities for improvement of the quality management system
- Identify opportunities for improvements of processes
- Identify opportunities for improvements of products

Management reviews are chaired by the quality manager and are attended by the President, and managers representing production, engineering, sales, purchasing, and at any times when deemed needed, the quality manager can call any other manger in for added information for review of the quality management system.

9.3.2 Inputs

Input into the management reviews consists of information and data related to quality performance of the organization. At a minimum, the inputs will include the following.
- Results of audits
- Customer feedback and complaints
- Process performance and product conformity data
- Status and summary of preventive and corrective actions
- Changes that could affect the quality management system
- New or revised regulatory requirements
- Follow-up actions from earlier management reviews
- Recommendation for improvement

9.3.3 Outputs

Management reviews are concluded with setting new quality objective and initiating actions to improve the quality management system, processes, and products.
Results of management reviews are documented in minutes of the management review meeting. The minutes include improvements, actions, and assign responsibilities are allocated to resources for implementation of these actions

10 Improvement

10.1 General

CCA continually improves the effectiveness of the quality management system through the use of the quality policy, quality objectives, audit results, analysis of data, corrective and preventive actions and management review. Operational Procedure ***QOP-85-01 Continual Improvement*** defines this process.

Internal audit results and quality performance data are analyzed by management review to assess the effectiveness of the quality system and current organizational performance. Opportunities and priorities for improvement are identified by comparing present quality performance to goals and aspirations defined in the quality policy. This process is defined in Operational Procedure ***QOP-56-01 Management Review***.

Improvement projects are defined either as corrective and preventive actions or as quality objectives. These processes are defined in Operational Procedures ***QOP-85-03 Corrective and Preventive Actions***, and ***QOP-56-01 Management Review***, respectively.

In order to determine and select opportunities for improvement or to implement any necessary actions to meet the requirements of customers and relevant interested parties, or to enhance customer satisfaction, CCA drives improvement via the analysis of relevant data. The data inputs for the improvement process include:

1. Risk and opportunity evaluations;
2. Assessment of the changing needs and expectations of interested parties;
3. The conformity of existing products and services;
4. The effectiveness of our QMS;
5. Supplier performance;
6. Levels of customer satisfaction, including complaints and feedback;
7. Internal and external audit results;
8. Corrective action and non-conformance rates;

10.2 Non-conformity & Corrective Action

Customer complaints

Customer complaints that allege deficiencies related to the identity, quality, durability, reliability, safety, effectiveness, or performance of a product are logged and documented.

Complaints that involve a possible failure of a product, labeling, or packaging to meet any of its specifications are always investigated, and the results of the investigation are documented.

The system for receiving, logging, investigating and responding to customer complaints is defined in Operational Procedure ***QOP-85-02 Customer Feedback and Complaints***.

Corrective and preventive action

Corrective actions are taken to eliminate causes of actual nonconformities in order to prevent their recurrence.

Preventive actions are implemented to eliminate causes of potential nonconformities in order to prevent their occurrence.

The process for taking corrective and preventive actions includes requirements for:

- Reviewing nonconformities and potential nonconformities,
- Determining causes for actual and potential nonconformities,
- Evaluating the need for action to ensure that nonconformities do not recur and that potential nonconformities are prevented,
- Determining and implementing actions needed, including, if appropriate, updating

documentation,

- Recording the results of any investigations and of actions taken, and
- Reviewing the corrective or preventive action taken and its effectiveness.

This process is defined in Operational Procedure ***QOP-85-03 Corrective and Preventive Action***.

10.3 Improvement

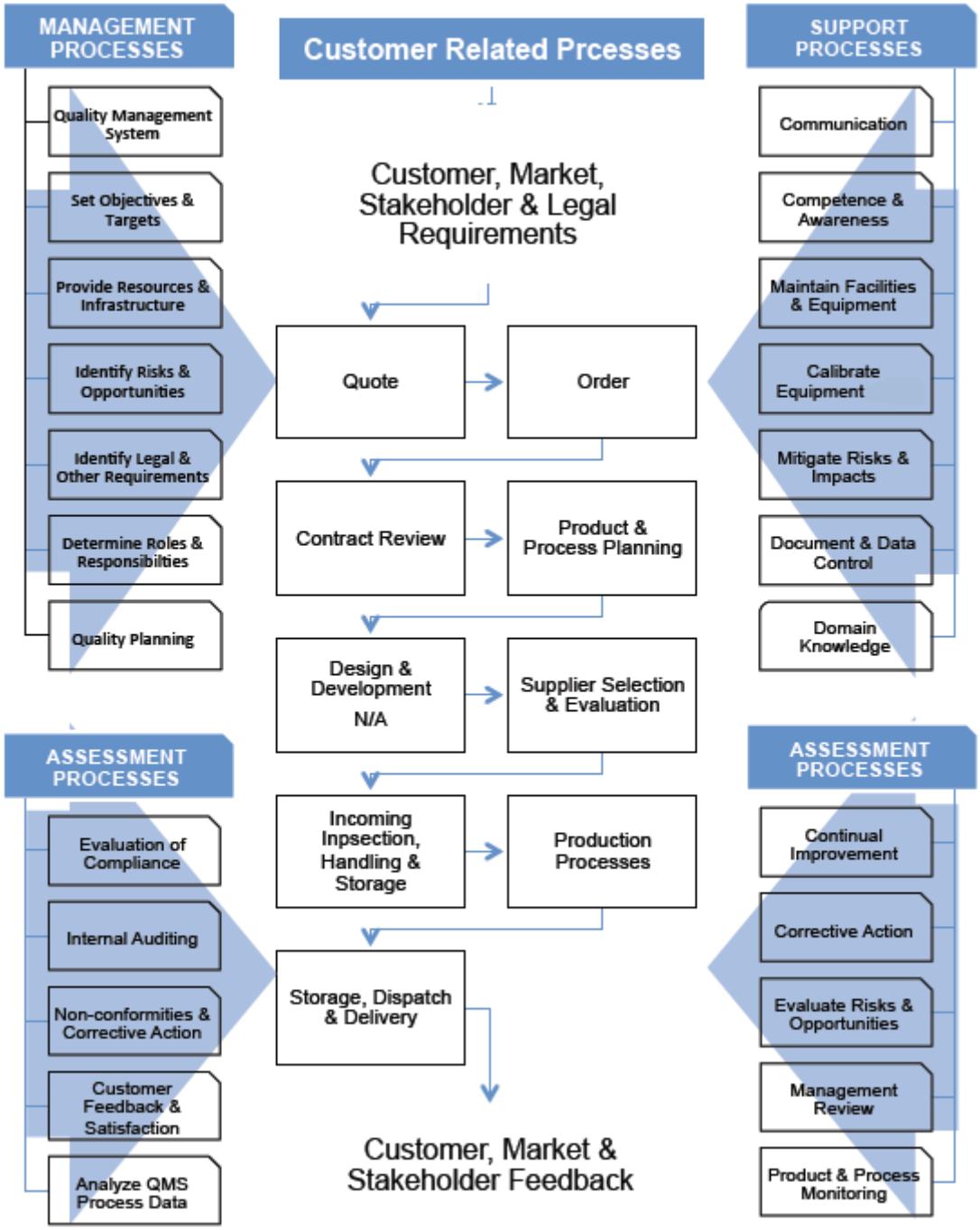
CCA continually improves the effectiveness of its quality management system through the effective application of the company policies, objectives, auditing and data analysis, corrective and preventive actions and management reviews.

The continual improvement process begins with the establishment of our corporate policies and objectives for improvement, based on objectives contained in our business plan and customer targets and goals. Customer satisfaction, internal audit data, process and product performance data, and the cost of poor quality or risk control are then compared against objectives or KPIs to identify additional opportunities for improvement.

The overall effectiveness of continual improvement program, including corrective actions taken, as well as the overall progress towards achieving improvement objectives, are assessed through our management review process.

Appendices

A.1 Sequence & Interaction of Process



A.2 Organization Chart