Des Moines Quality Management System

ISO9001:2008 Standard

QM 7.2 – Customer Related Processes

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Quality Manual 7 – Product Realization

Section 7.2 Section Revision: A Revision Date: 7/12/2010

7.2 – Customer Related Processes

Approved By: Todd Gifford Date: 7/12/2010

GENERAL POLICY

Discussed w/ Brenda – do not accept verbal POs

Orders are reviewed to ensure that product and order requirements are defined and can be met, and to resolve any incomplete or conflicting requirements. Verbal orders are confirmed before acceptance. Order amendments and changes are likewise reviewed and are communicated to all relevant functions. Order reviews are recorded.

Arrangements for communication with customers relating to product information, order handling, and customer feedback and complaints are defined and implemented. Where appropriate, operational procedures and instructions for these activities are established and implemented. There is a formal process (verbal and email) with the customer

PROCEDURAL POLICIES

1. Determination of Requirements

1.1 Dee Electronics determines requirements specified by the customer, to include requirements for delivery and any applicable post-delivery activities and applicable statutory and regulatory requirements applicable to the product and any additional requirements considered necessary by the organization. General recurring requirements are documented in our customer database, and order specific requirements are documented in the order information. Part/Customer specific special requirements are noted in our Part/Customer special handling instructions database.

Customer requirements are indicated on the PO

V SK 9/23

1.2 Unstated requirements, where known, (example: part container must be labeled to identify the part) are determined and are either part of our normal processes, or notated on order, customer, or part handling requirements.

N/A – SK 9/23

1.3 Any additional requirements are determined. V SK 9/23

2. Review of Requirements

Procedures exist to control the methods and practices used to complete customer contract reviews and contract amendments.

1. *Before submission of a Quotation or acceptance of an Order, the quotation and order are reviewed. This review ensures that all contracts (verbal and written) adequately define and document the specified requirements.*
2. *Differences between contract or order requirements and those in the tender are resolved. Dee Electronics has the capability to meet contract or order requirements. Amendments to contracts are defined and communicated to all affected functional groups. Records of contracts, amendments and contract reviews are maintained.*

If Sue has an undefined item she goes to Brenda a

SK 9/23

Quotes are kept on R:Drive
Brenda confirms cost and date on the PO

3. Customer Communication

Sue pring back SO and Brenda creates item #s if applicable

3.1 Inquiries and Order Handling

looked @ order # 205289

3.1.1 Sales department is responsible for receiving customer inquiries and orders. Orders are reviewed and further processed by Inside salespeople. The President, CEO/Treasurer, Vice President of Sales, Purchasing Manager, or Product Management may be called to assist with the review of orders as appropriate.

3.1.2 Handling of order amendments is controlled to the same extent as the handling of initial orders. Amendments are reviewed to verify that the new or modified requirements can be met, and a confirmation of acceptance is sent back to the customer. Via email - confirmation is forwarded

3.1.3 Operational Procedures QOP-72-01 instructs how to handle inquiries, orders, and amendments.

3.2 Customer feedback and complaints

3.2.1 Customer Service/Inside Sales, Field Sales, and Sales Management is responsible for receiving and processing customer feedback and complaints. All received material customer communication is recorded in the customer Internal Quality Audit/Management Corrective and Preventive Action Form.

3.2.2 Customer feedback and complaints that are entered into Corrective Actions, are reviewed and closed out by the President, CEO/Treasurer, Vice President of Sales, Vice President of Operations, or Quality Assurance Coordinator.

3.2.3 Procedure QOP-72-02, Customer Feedback and Complaints, provides detailed instructions how to receive, process, and respond to customer feedback and complaints.

ASSOCIATED DOCUMENTS

QOP-72-01 Operational Procedure: Order Processing

QOP-72-02 Operational Procedure: Customer Feedback and Complaints

Spoke w/ Susan, recieved POs 205483 and 205289
- discussed the approval process of prices and timeframes
- Based on the PO Sue creates a sales order

Brenda reviews raw material to ensure timeframe

Sue - when entering an order double checks date and cost
- goes back and checks order

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QOP-72-01 – Order Processing

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QMS Operational Procedure QOP-72-01

Section 7.2 Section Revision: A Revision Date: 7/12/2010

Order Processing

Approved By: Todd Gifford Date: 7/12/2010

I PURPOSE

The purpose of this procedure is to provide for a system and instructions, and to assign responsibilities for processing and review of customer orders.

II APPLICATION

This procedure applies to all customer orders. This procedure concerns Sales, Warehouse, and Quality Assurance departments.

III PROCEDURE

1. Dee Electronics' sales activities generates interest in new orders and products.

2. Sales contacts receive customer inquiries by phone, fax, mail, or electronic mail.

3. Sales and Operations management review the inquiries and product requirements and prepare a quote.

4. After reviewing material availability, costing, delivery dates and all other customer requirements, the President, CEO/Treasurer, or Vice President of Sales sign off on the quotation. The quotation is then communicated to the customer either verbally or in writing.

5. When the customer responds there may be changes to the quotation. Sales will resolve any such differences with appropriate parties prior to accepting an order.

6. Received orders are verified to the quotation for cost, quantity, and any special requirements and entered using DBA system.

7. Sales contacts verify that requirements not specified by the customer, but necessary for intended or specified use, and requirements dictated by laws and regulations are known.

8. Changes to orders are received and authorized by Sales, Sales management, or the President, CEO/Treasurer as necessary. Authorized changes to the orders are updated to reflect the changes.

9. The completed quotation, order, and sales invoice are quality records. See QOP-42-03 for retention details.

ASSOCIATED DOCUMENTS

QF-72-01-01 Form (DBA Form #SO-A): Order Entry Form

QF-72-01-02 Form: Quotation Form

QF-72-01-03 Form (DBA Form #SO-E): Invoicing Form

QF-72-01-04 Form (DBA Form #AR-A): Customer Master Database/Form

QF-72-01-05 Form (DBA Form #SO-A): Part Customer Special Handling Instructions Database/Form

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QOP-72-02 – Customer Feedback and Complaints

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QMS Operational Procedure QOP-72-02

Section 7.2 Section Revision: A Revision Date: 7/12/2010

Customer Feedback and Complaints

Approved By: Todd Gifford Date: 7/12/2010

I PURPOSE

The purpose of this procedure is to provide for a system and instructions, and to assign responsibilities for receiving and processing customer feedback and complaints.

II APPLICATION

This procedure applies to all material customer feedback and complaints. This procedure concerns Inside Sales/Customer Service, Field Sales, Sales Management, and Quality Assurance.

III PROCEDURE

1. Receiving and logging customer feedback and complaints

1.1 All after-sale customer communication, whether written or verbal, are forwarded to the Sales/Customer Service department. Verbal communication by phone is documented in a Call Report Form QF-72-02-01, established during, or immediately following, the conversation with the customer.

2. Processing customer feedback and complaints

2.1 When customer feedback or complaints are noted in Call Reports, the President and Vice President of Sales reviews the customer feedback/complaint information, and determines what type of response is appropriate. Complaints regarding product nonconformity are handled via a Corrective Action/Return Material Authorization (CAR/RMA) process via Inside Sales/Customer Service.

3. Corrective and preventive action

3.1 The President and Vice President review customer complaints to determine whether it calls for an internal investigation and should be followed up with a formal corrective action request (CAR). When a corrective action is initiated, the Corrective Action is entered into the Internal Audit/Management Corrective and Preventive Action Form QF-82-02-01.

3.2 When customer returns nonconforming products, the products are evaluated, inspected and/or tested, and are handled and processed in accordance with Procedure QOP-83-01, Control of Nonconforming Product. Depending on the nature of the nonconformity, Quality Assurance may follow up with requests for corrective or preventive actions.

3.3 When investigation of customer complaint determines that external organizations contributed to the complaint, the President, Vice President of Operations, Vice President of Sales, or Quality Assurance contacts these organizations and provides them with all relevant information. When appropriate, Quality Assurance may issue formal corrective action requests to responsible subcontractors.

4. Records

Records of customer complaints are maintained in Call Reports, Corrective Actions (CAR/RMA's), and Internal Audit/Management Corrective and Preventive Action Forms.

ASSOCIATED DOCUMENTS

QF-72-02-01 Form: Call Report Form

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QM 7.4 – Purchasing

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Quality Manual 7 – Product Realization

Section 7.4 Section Revision: **B** Revision Date: **9/16/2014**

7.4 – Purchasing

Approved By: Todd Gifford Date: 7/12/2010

GENERAL POLICY

Dee Electronics evaluates its suppliers and purchases from those that can satisfy applicable quality requirements. Quality performance of suppliers is monitored and evaluated. Purchasing documents clearly and completely describe ordered products. Purchasing documents are reviewed and approved prior to release. Purchased products are verified before they are shipped.

PROCEDURAL POLICIES

1. Purchasing Process

1.1 Dee Electronics evaluates and selects suppliers on the basis of their ability to meet defined organizational requirements. Dee Electronics defines the type and extent of control it exercises over suppliers. Dee Electronics has established and maintains quality records of acceptable suppliers.

1.2 Purchasing documents contain data clearly describing the product ordered, including but not limited to quantity, part number and/or other precise identification. Dee Electronics reviews and approves purchasing documents for adequacy of specified requirements before release.

looked at 14501

9/23 PO's are filed and organized. POs include vendor shipping terms, dates. PO's are initialed and dated

2. Verification of Purchased Product

2.1 Purchased products are inspected by receiving personnel. This includes verification of product identity and quantity, visual inspection and, where applicable, verification that all requested certificates and quality records are available. Designated products are further inspected with additional inspection process.

2.2 The President, CEO/Treasurer, Vice President of Operations, Vice President of Sales, and Quality **Manager** are responsible for selecting appropriate methods for purchased product verification and acceptance. Operational Procedure QOP-74-03, Verification of Purchased Product, sets forward detailed rules for selecting product verification methods and for performing receiving and additional inspections.

9/23

2.3 When verification of purchased product is to be performed at supplier's premises, purchasing documents specify the intended verification arrangements and method of product release.

ASSOCIATED DOCUMENTS

QOP-74-01 Operational Procedure: Supplier Evaluation

QOP-74-02 Operational Procedure: Purchasing

9/23

QOP-74-03 Operational Procedure: Verification of Purchased Product

Looked at PO # 14820 Arrangement Dee CR

- When parts are recieved the boxes are counted off truck
- Opened - lables are verified DVA # is circled on Packing Slip and matched to box
- Items are recieved in DVA system
- PO # entered

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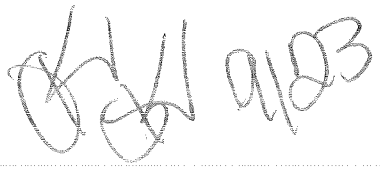

QOP-74-01 – Supplier Evaluation

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QMS Operational Procedure QOP-74-01

Section 7.4 Section Revision: A Revision Date: 7/12/2010

Supplier Evaluation

Approved By: Todd Gifford Date: 7/12/2010

I PURPOSE

The purpose of this procedure is to provide for a system and instructions, and to assign responsibilities for evaluation and monitoring of suppliers.

II APPLICATION

This procedure applies to evaluation and monitoring of vendors supplying parts that are resold to customers. This procedure concerns Purchasing and Quality Assurance.

III PROCEDURE

1. Supplier Evaluation

1.1 Cedar Rapids location Purchasing Manager maintains a record of acceptable vendors for products and services that affect quality, as well as records of any vendors utilized under emergency procedures. Emergency purchases may take place when:

1. Product is not available from approved vendors.
2. Product is identical to that available from approved vendors.
3. Emergency purchase is approved by Purchasing Manager.

1.2 Suppliers utilized under emergency procedures are considered for approved status when the transaction proves to be satisfactory to Dee Electronics and Dee Electronics' customer, and after the prospective supplier has undergone the vendor approval process.

1.3 Manufacturers or Distributors of parts/components requested by manufacturer part number are approved as acceptable vendors, provided they are approved by President, CEO/Treasurer, or Purchasing Manager to be added as an approved Vendor. They are subject to monitoring for quality and delivery.

1.4 Vendors providing quality products or services prior to the initiation date of our quality system are grandfathered into the Acceptable Vendor/Supplier List without being subject to the vendor evaluation process. The vendor approval process consists of one or more of the following:

1. Financial and Qualitative Review/approval done by CEO/Treasurer, President, or Purchasing Manager 2. Customer-specified Vendor 3. Evidence of ISO9000 Certification 4. Part Sample or Drawing verification

2. Quality Performance Monitoring

2.1 After approval, an acceptable vendors is continuously monitored for on-time delivery and conforming product. Records are kept electronically, accessible from ECIS (Cedar Rapids) and DBA (Des Moines).

2.2 Product determined to be nonconforming upon receipt is reported to the Quality Control Coordinator via the Corrective Action (CAR/RMA) Form in DBA. Nonconforming product is dispositioned according to Procedure QOP-83-01, Control of Nonconforming Product. Subcontractor corrective action, if necessary, is documented in the subcontractor's performance record and followed-up.

3. Approved Vendor List

Purchasing in Cedar Rapids location is responsible for maintaining a list of acceptable suppliers in QF-74-01-01 Form: Vendor Master Listing. The list is updated and authorized by Purchasing, and the CEO/Treasurer or President. The list is controlled in accordance with Operational Procedure QOP-42-02, Control of Documents.

ASSOCIATED DOCUMENTS

QF-74-01-01 Form: Vendor Master Listing *[Cedar Rapids Location]*

QF-74-02-01 Form (DBA Form # PO-A): Purchasing Requisition/Purchase Order Form

QOP-74-02 Operational Procedure: Purchasing

QOP-74-03 Operational Procedure: Verification of Purchased Product

QOP-83-01 Operational Procedure: Control of Nonconforming Product

QOP-85-02 Operational Procedure: Corrective and Preventive Action

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QOP-74-02 – Purchasing

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QMS Operational Procedure QOP-74-02

Section 7.4 Section Revision: A Revision Date: 7/12/2010

Purchasing

Approved By: Todd Gifford Date: 7/12/2010

I PURPOSE

The purpose of this procedure is to provide for a system and instructions, and to assign responsibilities for the establishment of purchasing documents.

II APPLICATION

This procedure applies to purchase orders for materials and parts that are resold to customers. This procedure directly concerns Purchasing, and is relevant to Quality Assurance and Inside Sales/Account Administration.

III PROCEDURE

Dee Electronics purchases parts and components to fill orders already received or to stock inventory on behalf of customers future requirements.

Purchasing sorts parts and components listed on Orders into vendor-specific Requisitions, sometimes ordering additional inventory to achieve a quantity-based price reduction.

Purchasing creates Purchase Orders from Requisitions, adds necessary detail, checks for accuracy and completeness, signs-off and forwards the PO to an acceptable vendor.

Purchasing may only create a Requisition/Purchase Order with a Vendor that is Approved.

ASSOCIATED DOCUMENTS

QF-74-01-01 Form [Cedar Rapids Location]: Vendor Master Listing

QF-74-02-01 Form (DBA Form # PO-A): Purchasing Requisition/Purchase Order Form

QOP-74-01 Operational Procedure: Supplier Evaluation

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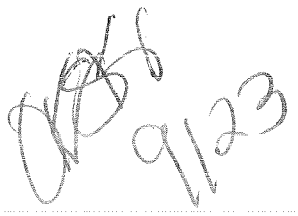

QOP-74-03 – Verification of Purchased Product

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QMS Operational Procedure QOP-74-03

Section 7.4 Section Revision: A Revision Date: 7/12/2010

Verification of Purchased Product

Approved By: Todd Gifford Date: 7/12/2010

I PURPOSE

The purpose of this procedure is to provide for a system and instructions, and to assign responsibilities for verification of purchased product, and for performing receiving inspections of incoming product.

II APPLICATION

This procedure applies to materials and components that are intended for resale to customers. This procedure concerns Purchasing, Warehouse, and Quality Assurance.

III PROCEDURE

1. Verification methods

1.1 Following methods and approaches are used for verification and acceptance of purchased product:

- *Receiving inspection,*
- *Additional Inspection,*
- *Source inspection,*
- *Supplied evidence of product conformity (this may be in the form of inspection, testing, or process control records, or certificates supplied with the product);*
- *Confidence in supplier's quality system and product verification program (this may be based on supplier's quality system certification, supplier audits, and satisfactory quality performance history).*

1.2 The President, CEO/Treasurer, Vice President of Operations, and Quality Assurance is responsible for selecting appropriate verification and acceptance methods for specific products. The selection is based on:

Criticality and importance of the product;

Availability of product verification records or certificates from the supplier or an independent third party;

Knowledge of, and/or confidence with the supplier's quality management system and product verification program.

1.3 Product verification and acceptance methods to be applied are specified in purchasing documents, Additional Inspection Master Database, procedures, or supplier files. This information is communicated to Receiving prior to the arrival of purchased product.

1.4 Receiving inspection is applied to all purchased components.

1.5 Additional Inspection is applied to components with previous corrective action issues deemed significant, critical components, and shipments of a new parts added to our system. When Additional Inspection is required, the 2 X 1 Dee Incoming Product Label will reflect an "X", as well as this part is noted in our Additional Inspection Required database.

2. Receiving inspection

2.1 Upon unloading of deliveries, receiving clerk counts the number of delivered units, checks marking and identification of packages, and inspects all packages for any signs of tampering or damage. If all these checks and inspections are satisfactory, he or she signs the delivery receipt. If not, any shortages or damages are noted on all copies of the delivery receipts.

2.2 Next, the received packages are moved to the designated receiving area, a copy of the relevant purchase order is retrieved from the pending orders file, and the packing slips (if any) are removed from packages. The goods are counted, their part numbers are verified against the purchase order and the packing slip, and the goods are examined visually for any signs of damage.

2.3 If no other product verification activities are required, the goods are moved to appropriate material putaway staging areas, and then are putaway in designated inventory storage areas.

2.4 If Additional Inspection is required but not done immediately, the goods are segregated in a HOLD Area or on a Cart, requiring additional inspection.

2.5 If a nonconforming product is identified, the receiving person moves the product to a HOLD area, and initiates a nonconformity report in accordance with Procedure QOP-83-01, Control of Nonconforming Product. The product is labeled with a CAR/RMA label, the CAR/RMA number is marked on the sticker. Quality Control Coordinator is notified.

3. Additional Inspection

3.1 As applicable, receiving additional inspection comprises:

Review of packaging/part markings, material certificates, source inspection records, compliance certificates, or other such documentation delivered with the product;

Visual inspection to detect any damage or other visible problems;

Taking measurements and testing as required; and

3.2 When products pass the inspection, they are moved to appropriate putaway staging areas, and then putaway in a designated storage area. Quality records established during the receiving inspection are entered.

3.3 If products fail the additional inspection, a nonconformity report in accordance with Procedure QOP-83-01, Control of Nonconforming Product. The product is moved to a designated HOLD area. Quality Control Coordinator is notified.

4. Source inspection

4.1 Where purchased product verification is to be performed or witnessed at the supplier's location, this should be specified in purchasing documents. This also applies to cases where source inspections are performed or witnessed by customers.

ASSOCIATED DOCUMENTS

QF-74-03-01 Form (DBA Form # PO-C): Receiving Form

QF-74-03-02 Form: Additional Inspection Master Database Form

QOP-74-02 Operational Procedure: Purchasing

QOP-83-01 Operational Procedure: Control of Nonconforming Product

Des Moines Quality Management System

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QM 7.5 – Production and Service Provision

Brenda

Quality Manual 7 – Product Realization

Section 7.5 Section Revision: A Revision Date: 7/12/2010

7.5 – Control of Production and Service Provision

Approved By: Todd Gifford Date: 7/12/2010

GENERAL POLICY

Product and process information and appropriate work instructions are established and are communicated to relevant personnel. Operations and production processes are monitored and controlled, and are validated where appropriate. Equipment used in distribution processing and for monitoring and measurement activities are maintained. Methods for product release and delivery are defined.

Materials, components, and parts are identified. When required, traceability of materials and processes is recorded and maintained. Inspection and test status of product is identified to ensure that only product that has passed the required inspections is dispatched.

Customer-supplied products, if ever maintained, are controlled in the same manner as are purchased products. If ever maintained, Customer-owned tools, equipment, software, or other property are marked to indicate ownership. Any Loss, damage, or unsuitability of a customer's product is recorded and reported to the customer.

Appropriate handling, storage and preservation methods are implemented to prevent product damage or deterioration. Receipt and dispatch to and from storage areas are controlled. The condition of products in stock is regularly assessed.

PROCEDURAL POLICIES

1. OPERATIONS CONTROL

1.1 Product and process information

Product and process information required by process operators is communicated through the work order, electronic forms, or is included in work instructions.

1.2 Work instructions

1.2.1 Work instructions and workmanship standards may be in the form of electronic manuals, electronic procedures, or electronic instructions on forms. They instruct on how to carry out a process or perform an operation or task. The need for work instructions is evaluated on the basis of criticality, importance and complexity of the process; the ability to verify results of the process; operator qualifications; and history of quality problems associated with the process. Workmanship standards are provided when acceptability of the process output can only be determined by comparison with a standard sample.

– work instructions on tablets

1.2.2 Procedure QOP-75-02, Work Instructions, specifies criteria for determining when work instructions are needed, and provides guidelines for issuing, authorizing and controlling work instructions.

1.3 Equipment maintenance

1.3.1 Maintenance of key process equipment is addressed in Section 6.3 of this manual.

1.4 Measuring and monitoring equipment

All calibers have internal part # and inspection ID #

1.4.1 Requirements for measuring and monitoring equipment are determined by Executive Management and Quality Assurance. This is in accordance with process control and product verification programs defined in product realization planning (refer to Section 7.1 of this manual).

can look back to see who has one assigned to anyone

1.4.2 Control system for measuring and monitoring equipment is defined in Operational Procedure QOP-76-01, Measuring and Monitoring Equipment.

1.4.3 Dee Electronics has established and maintains documented procedures to control, calibrate and maintain inspection, measuring and monitoring equipment it uses to demonstrate the conformance of product to the specified requirements. Measuring and Monitoring equipment is used in a manner which ensures that the measurement uncertainty is known and is consistent with the required measurement capability. Measuring and Monitoring equipment include (but are not limited to) scales, calipers, and wire processing equipment.

Control Procedure – Dee Electronics:

- Selects appropriate Measuring and Monitoring equipment that is capable of the necessary accuracy and precision,
- Identifies Measuring and Monitoring equipment and specifies frequency of checks,
- Maintains calibration records for Measuring and Monitoring equipment,
- Assesses the validity of previous inspection and test results when Measuring and Monitoring equipment is found to be out of calibration,
- Provides suitable environmental conditions for calibrations, inspections and tests,
- Safeguards Measuring and Monitoring equipment from damage, abuse and unauthorized adjustment.

1.5 Process monitoring and control

Dee Electronics has identified and planned the order fulfillment, distribution and servicing processes which directly affect quality, and ensures that these processes are carried out under controlled conditions. These controlled conditions include:

- Documented procedures defining the manner of order fulfillment, distribution and servicing,
- Use and availability of suitable equipment, and a suitable working environment,
- Compliance with reference standards, codes, quality plans and/or documented procedures,
- Monitoring and control of suitable process parameters and product characteristics,
- Approval of processes, equipment, tools, and technology, as appropriate,
- Criteria for workmanship, which is stipulated in the clearest practical manner,
- Suitable maintenance of equipment to ensure continuing process capability,
- Process Environment and performance,

- Process Output

Process monitoring activities are further defined in Section 8.2 of this manual. Activities related to process control are defined in Operational Procedures QOP-75-01, Production Control and QOP-75-02, Work Instructions.

1.6 Product release and delivery

1.6.1 Products are released for delivery only after all specified activities have been satisfactorily completed and conformity of the product has been verified. Operational Procedure QOP-82-05, Final Inspection, define the system for final product verification and release.

2. VALIDATION OF PROCESSES

2.1 Special processes

There are no special processes in use at Dee Electronics.

2.2 Validation

Dee Electronics validates any processes for production and service provision where the resulting output cannot be verified by subsequent monitoring and measurement, and as a consequence, deficiencies become apparent only after the product is in use or the service has been delivered.

3. IDENTIFICATION AND TRACEABILITY

3.1 Product identification

3.1.1 Where appropriate, documented procedures have been established and maintained for identifying the product by suitable means from receipt, during all stages of order fulfillment, and throughout product realization.

3.1.2 During all stages of receipt, putaway, and order fulfillment, products are identified by labels, or the labeled containers in which they are held.

3.1.3 Rules and activities related to identification of products are governed by Operational Procedure QOP-75-03, Product Identification and Traceability. Additional relevant

procedures are: QOP-75-01, Production Control; QOP-74-03, Verification of Purchased Product; QOP-82-05, Final Inspection; and QOP-75-06, Packaging, Labeling and Shipping.

3.2 Traceability

3.2.1 Dee Electronics maintains traceability under certain circumstances, as described in the written procedures, but traceability is not required of Dee Electronics by any other entity. Records of traceability are maintained in accordance with procedures.

3.2.2 Activities related to establishment and maintenance of traceability are regulated by Operational Procedures QOP-75-03, Product Identification and Traceability, and QOP-75-01, Production Control.

3.3 Inspection status identification

3.3.1 The inspection and test status of product is identified by suitable means, which indicates the conformance or nonconformance of product with regard to inspection and tests performed. The identification of inspection and test status is maintained, as identified in the documented procedures, throughout the order fulfillment process to ensure that only product that has passed the required inspections and tests (or released under an authorized concession) is dispatched.

3.3.2 Distribution/Order fulfillment and Assembly personnel authorized to carry out inspections and testing are responsible for identifying product inspection status. All personnel handling products are responsible for maintaining the identification.

3.3.3 Incoming products that have passed the receiving inspection are moved to putaway staging areas/carts. Products that have not passed receiving inspection are moved to a Hold Area. Detailed rules for identifying inspection status of purchased products are provided in procedure QOP-74-03 Verification of Purchased Product.

3.3.4 Status of an in-process inspection is identified by current location and labeling of product or assembly, as well as electronic verification records resulting from bar code scanning/computer verification or written records. Each subsequent step verifies the that previous step was completed correctly. Operational procedure QOP-82-04, In-process Inspections, provides more detailed instructions.

3.3.5 Products that pass the final inspection are placed in Shipping Process Carts/Pallets area that is designated and used only for this purpose. In addition, products passing final

inspection have an electronic Ship Authorization Record. Rules for identifying inspection status of final authorized products are provided in procedure QOP-82-05, Final Inspection.

3.3.6 Products that fail any inspections or tests are moved to identified Hold Areas. Whenever a nonconforming product is identified, the nonconformity is documented using a Corrective Action Report (CAR/RMA) Form QF-85-02-01. Procedure QOP-83-01, Control of Nonconforming Product, instructs on how to identify and process nonconforming product.

4. CUSTOMER PROPERTY

4.1 Receiving

4.1.1 Customer-supplied products (or personal data) are received and inspected following the same procedure that applies to 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 **and a record is created in QF-85-02-01.**

4.2 Marking, storage, and handling

4.2.1 Marking, storage, handling, and preservation of customer supplied products or personal data follow the same procedures that apply to purchased products. The applicable procedures are QOP-75-03, Product Identification and Traceability; QOP-75-04, Product Handling and Preservation; and QOP-75-05, Storage Areas.

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

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

4.3 Special requirements

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

4.4 Loss or damage

4.4.1 Customers are contacted in the event of loss, damage, deterioration, or unsuitability of their products or personal data. Records are documented and maintained in QF-85-02-01.

5. PRESERVATION OF PRODUCT

5.1 Product handling and preservation

5.1.1 Dee Electronics provides methods of handling product in order to maintain conformity to requirements and prevent damage or deterioration. Procedure QOP-75-04, Product Handling and Preservation, describes in detail how these policies are implemented.

5.2 Storage

5.2.1 Dee Electronics uses designated storage areas to prevent damage and deterioration of product, pending use or delivery. Appropriate methods are stipulated for authorizing receipt to and dispatch from such areas. In order to detect deterioration, the condition of product held in stock is assessed at appropriate intervals.

5.2.2 Products with limited shelf life are assessed via Cycle counting assessment. Products are rotated in the stockroom to ensure that the oldest product is used first.

5.2.3 Product stockroom areas are controlled using an inventory management system. The system can report available in stock quantities, product location, and turn-over times. The system is used to optimize and minimize inventory levels.

5.2.4 Procedure QOP-75-05, Storage Areas, governs the operation of stockrooms and storage, staging and holding areas.

5.3 Packaging and labeling

5.3.1 Primary packaging are boxes, bags or other packaging in which products are presented to the end users.

5.3.2 Secondary packaging, if applicable, are cardboard boxes, pallets, or other additional packaging intended to contain and protect products for shipping and transportation.

5.3.3 Dee Electronics controls packing, packaging and marking processes (including materials used) to the extent necessary to ensure conformance to specified requirements.

5.3.4 Packing/Shipping department is responsible for selecting secondary packaging and labeling. The materials selected are compatible with requirements of commonly used carriers and for intended means of delivery (ground, sea, air). Any customer specific packaging instructions are documented in our system Customer Master Special Handling instructions, and are viewed at several points during our order fulfillment process, including Final Authorization.

5.3.5 Packaging and labeling activities are governed by Procedure QOP-75-06 Packaging, Labeling and Shipping.

5.4 Shipping and delivery

5.4.1 Shipping of products is initiated by the customer order. The order identifies the shipping address, shipping due date, products to be shipped, handling requirements, and transportation mode or carrier. Before products are dispatched, the order fulfillment process controls verify that the shipment contains the same products and quantities as specified in the customer order, and that customer requirements and/or carrier requirements are met. Only order lines that have been Final Ship Authorized and signed off by the shipping department personnel can be loaded for shipment.

5.4.2 Activities related to shipping and delivery operations are regulated by Procedure QOP-75-06, Packaging, Labeling and Shipping.

ASSOCIATED DOCUMENTS

QOP-75-01 Operational Procedure: Operations Control

QOP-75-02 Operational Procedure: Work Instructions

QOP-75-03 Operational Procedure: Product Identification and Traceability

QOP-75-04 Operational Procedure: Product Handling and Preservation

QOP-75-05 Operational Procedure: Storage Areas

QOP-75-06 Operational Procedure: Packaging, Labeling and Shipping

QOP-74-03 Operational Procedure: Verification of Purchased Product

- Process Output

Process monitoring activities are further defined in Section 8.2 of this manual. Activities related to process control are defined in Operational Procedures QOP-75-01, Production Control and QOP-75-02, Work Instructions.

1.6 Product release and delivery

procedures are: QOP-75-01, Production Control; QOP-74-03, Verification of Purchased Product; QOP-82-05, Final Inspection; and QOP-75-06, Packaging, Labeling and Shipping.

3.2 Traceability

3.2.1 Dee Electronics maintains traceability under certain circumstances, as described in the written procedures, but traceability is not required of Dee Electronics by any other entity. Records of traceability are maintained in accordance with procedures.

3.2.2 Activities related to establishment and maintenance of traceability are regulated by Operational Procedures QOP-75-03, Product Identification and Traceability, and QOP-75-01, Production Control.

3.3 Inspection status identification

3.3.1 The inspection and test status of product is identified by suitable means, which indicates the conformance or nonconformance of product with regard to inspection and tests performed. The identification of inspection and test status is maintained, as identified in the documented procedures, throughout the order fulfillment process to ensure that only product that has passed the required inspections and tests (or released under an authorized concession) is dispatched.

3.3.2 Distribution/Order fulfillment and Assembly personnel authorized to carry out inspections and testing are responsible for identifying product inspection status. All personnel handling products are responsible for maintaining the identification.

3.3.3 Incoming products that have passed the receiving inspection are moved to putaway staging areas/carts. Products that have not passed receiving inspection are moved to a Hold Area. Detailed rules for identifying inspection status of purchased products are provided in procedure QOP-74-03 Verification of Purchased Product.

3.3.4 Status of an in-process inspection is identified by current location and labeling of product or assembly, as well as electronic verification records resulting from bar code scanning/computer verification or written records. Each subsequent step verifies the that previous step was completed correctly. Operational procedure QOP-82-04, In-process Inspections, provides more detailed instructions.

3.3.5 Products that pass the final inspection are placed in Shipping Process Carts/Pallets area that is designated and used only for this purpose. In addition, products passing final

inspection have an electronic Ship Authorization Record. Rules for identifying inspection status of final authorized products are provided in procedure QOP-82-05, Final Inspection.

3.3.6 Products that fail any inspections or tests are moved to identified Hold Areas. Whenever a nonconforming product is identified, the nonconformity is documented using a Corrective Action Report (CAR/RMA) Form QF-85-02-01. Procedure QOP-83-01, Control of Nonconforming Product, instructs on how to identify and process nonconforming product.

4. CUSTOMER PROPERTY

4.1 Receiving

4.1.1 Customer-supplied products (or personal data) are received and inspected following the same procedure that applies to 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 **and a record is created in QF-85-02-01.**

4.2 Marking, storage, and handling

4.2.1 Marking, storage, handling, and preservation of customer supplied products or personal data follow the same procedures that apply to purchased products. The applicable procedures are QOP-75-03, Product Identification and Traceability; QOP-75-04, Product Handling and Preservation; and QOP-75-05, Storage Areas.

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

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

4.3 Special requirements

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

4.4 Loss or damage

4.4.1 Customers are contacted in the event of loss, damage, deterioration, or unsuitability of their products or personal data. Records are documented and maintained in QF-85-02-01.

5. PRESERVATION OF PRODUCT

5.1 Product handling and preservation

5.1.1 Dee Electronics provides methods of handling product in order to maintain conformity to requirements and prevent damage or deterioration. Procedure QOP-75-04, Product Handling and Preservation, describes in detail how these policies are implemented.

5.2 Storage

5.2.1 Dee Electronics uses designated storage areas to prevent damage and deterioration of product, pending use or delivery. Appropriate methods are stipulated for authorizing receipt to and dispatch from such areas. In order to detect deterioration, the condition of product held in stock is assessed at appropriate intervals.

5.2.2 Products with limited shelf life are assessed via Cycle counting assessment. Products are rotated in the stockroom to ensure that the oldest product is used first.

5.2.3 Product stockroom areas are controlled using an inventory management system. The system can report available in stock quantities, product location, and turn-over times. The system is used to optimize and minimize inventory levels.

5.2.4 Procedure QOP-75-05, Storage Areas, governs the operation of stockrooms and storage, staging and holding areas.

5.3 Packaging and labeling

5.3.1 Primary packaging are boxes, bags or other packaging in which products are presented to the end users.

5.3.2 Secondary packaging, if applicable, are cardboard boxes, pallets, or other additional packaging intended to contain and protect products for shipping and transportation.

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5.3.5 Packaging and labeling activities are governed by Procedure QOP-75-06 Packaging, Labeling and Shipping.

5.4 Shipping and delivery

5.4.1 Shipping of products is initiated by the customer order. The order identifies the shipping address, shipping due date, products to be shipped, handling requirements, and transportation mode or carrier. Before products are dispatched, the order fulfillment process controls verify that the shipment contains the same products and quantities as specified in the customer order, and that customer requirements and/or carrier requirements are met. Only order lines that have been Final Ship Authorized and signed off by the shipping department personnel can be loaded for shipment.

5.4.2 Activities related to shipping and delivery operations are regulated by Procedure QOP-75-06, Packaging, Labeling and Shipping.

ASSOCIATED DOCUMENTS

QOP-75-01 Operational Procedure: Operations Control

QOP-75-02 Operational Procedure: Work Instructions

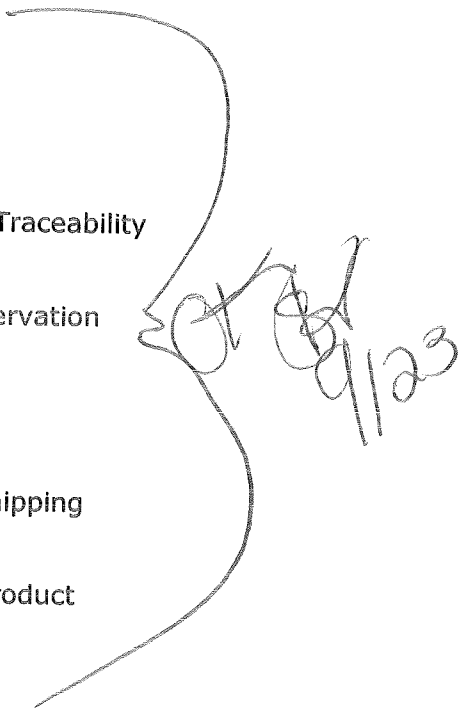
QOP-75-03 Operational Procedure: Product Identification and Traceability

QOP-75-04 Operational Procedure: Product Handling and Preservation

QOP-75-05 Operational Procedure: Storage Areas

QOP-75-06 Operational Procedure: Packaging, Labeling and Shipping

QOP-74-03 Operational Procedure: Verification of Purchased Product



QOP-82-04 Operational Procedure: In-process Inspections

QOP-82-05 Operational Procedure: Final Inspection

QOP-83-01 Operational Procedure: Control of Nonconforming Product

Des Moines Quality Management System

ISO9001:2008 Standard

9/23

QM 7.6 – Monitoring and Measuring Equipment

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Quality Manual 7 – Product Realization

Section 7.6 Section Revision: A Revision Date: 7/12/2010

7.6 – Monitoring and Measuring Equipment

Approved By: Todd Gifford Date: 7/12/2010

GENERAL POLICY

Appropriate measuring and monitoring equipment is maintained and selected to ensure that measurement capability is consistent with the measurement requirements. Equipment used for assuring product conformity is calibrated using calibration standards traceable to the national standard. Calibration status of measuring equipment is identified with calibration stickers. Measuring equipment is properly maintained and its placement and use are controlled. -calibration log for calipers - they have been calibrated -schedule is kept and maintained

PROCEDURAL POLICIES

Dee Electronics has established and maintains documented procedures to control, calibrate and maintain inspection, measuring and test equipment (I,M&TE) it uses to demonstrate the conformance of product to the specified requirements. I,M&TE is used in a manner which ensures that the measurement uncertainty is known and is consistent with the required measurement capability. I,M&TE include (but are not limited to) scales, calipers, wire processors, and reel counters. No customers require verification of I,M&TE accuracy.

documented on audit

Control Procedure:

- Selects appropriate I,M&TE that is capable of the necessary accuracy and precision,
- Identifies I,M&TE and specifies frequency of checks,
- Maintains calibration records for I,M&TE, documented in audit
- Assesses the validity of previous inspection and test results when I,M&TE is found to be out of calibration,
- Provides suitable environmental conditions for calibrations, inspections and tests,
- Safeguards I,M&TE from damage, abuse and unauthorized adjustment.

calipers are in protective cases

ASSOCIATED DOCUMENTS

QOP-76-01 Operational Procedure: Measuring and Monitoring Equipment

Des Moines Quality Management System

ISO9001:2008 Standard

QOP-76-01 – Measuring and Monitoring Equipment

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QMS Operational Procedure QOP-76-01

Section 7.6 Section Revision: A Revision Date: 7/12/2010

Measuring and Monitoring Equipment

Approved By: Todd Gifford Date: 7/12/2010

I PURPOSE

The purpose of this procedure is to provide for a system and instructions, and to assign responsibilities for identification, calibration, verification, and maintenance of measuring and monitoring equipment.

II APPLICATION

This procedure applies to measuring and test equipment used for verification of product conformance and for control of production processes. This procedure concerns Warehouse and Quality Assurance departments.

III PROCEDURE

1. The inspection, measuring, and test equipment currently utilized by Dee Electronics for the manufacturing process are: Scales, Calipers, Tape measurements, and Electrical function testing.

2. Calibration is performed to recognized or manufacturer standards and performed in-house or externally as required. External calibration services supply Dee Electronics with required calibration documentation. Calibration is logged and checked internally

3. The Calibration Log indicates the following:

Equipment identifiers. Frequency of calibrations. Calibration methods. Appropriate environmental conditions.

Brenda maintains records - since calibrations are done by CMS

4. Equipment requiring calibration is affixed with identifiers corresponding to the Calibration Log.

5. In the event that equipment is found to be out of a state of calibration, corrective actions are monitored until said equipment is re-calibrated or brought back to a conforming status. If necessary, the customer is notified of any potential orders that may be non-conforming.

not had a CAR based on calibration

6. The President, CEO, and Production Supervisor ensures that applicable employees are trained in the safe and proper handling of inspection, measuring, and test equipment. Such training is reflected in pertinent training records.

6.5 Inspection, Measuring, Test Equipment or Tooling is Not Used if it is not properly marked with an ID # from the Calibration Log.

7. If necessary, the President, CEO, or Production Supervisor will safeguard inspection, measuring, and test equipment to prevent from unauthorized adjustments.

ASSOCIATED DOCUMENTS

QF-76-01-01 Quality Form: Calibration Log Form

QOP-83-01 Operational Procedure: Control of Nonconforming Product