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|---------------------------|--------------------------|--------------|
| AD Micro-assembly | Quality Manual | |
| Written By: Dennis Phelps | Doc. No. 40-00 | Rev. No. 2 |
| Approved By: Diane Gallo | Effective Date 1/23/2007 | Page 1 of 19 |

| TABLE OF CONTENTS | | |
|--|----------------|-------------|
| Description | Section | Page |
| Scope and Exclusions | 1.0 | 2 |
| Normative Reference | 2.0 | 2 |
| Terms and Definitions | 3.0 | 2 |
| Quality Management System | 4.0 | 3 |
| General Requirements | 4.1 | 3 |
| General Documentation Requirements | 4.2 | 4 |
| Control of Documents | 4.3 | 4 |
| Control of Quality Records | 4.4 | 4 |
| Management Responsibility | 5.0 | 5 |
| Management Commitment | 5.1 | 5 |
| Customer Focus | 5.2 | 6 |
| Quality Policy | 5.3 | 6 |
| Quality Planning | 5.4 | 6 |
| Responsibility, Authority, and Communication | 5.5 | 7 |
| Management Review | 5.6 | 8 |
| Resource Management | 6.0 | 9 |
| Provision of Resources | 6.1 | 9 |
| Human Resources | 6.2 | 9 |
| Infrastructure | 6.3 | 9 |
| Work Environment | 6.4 | 9 |
| Product Realization | 7.0 | 10 |
| Planning of Product Realization | 7.1 | 10 |
| Customer Related Processes | 7.2 | 10 |
| Design Control | 7.3 | 11 |
| Purchasing | 7.4 | 11 |
| Process Control | 7.5 | 11 |
| Control of Monitoring and Measuring Devices | 7.6 | 13 |
| Measurement, Analysis and Improvement | 8.0 | 13 |
| General | 8.1 | 13 |
| Monitoring and Measurement | 8.2 | 13 |
| Control of Non-Conforming Product | 8.3 | 15 |
| Analysis of Data | 8.4 | 15 |
| Improvement | 8.5 | 15 |

| AD Micro-assembly | | Quality Manual | |
|--------------------------|------------|---------------------------|--------------|
| Doc. No. 40-00 | Rev. No. 2 | Effective Date: 1/23/2007 | Page 2 of 19 |

1. SCOPE AND EXCLUSIONS

- 1.1. The **AD Micro-assembly** Quality Manual provides general policies and procedures for the manufacturing, packaging, testing, storage, and distribution of AD Micro-assembly products. The AD Micro-assembly Quality Manual is the top-tier quality document for AD Micro-assembly located at 17 Friars Drive #15, Hudson, NH 03051.
- 1.2. AD Micro-assembly products and services: include but not limited to: Contract manufacturing of RF Microwave, RF Millimeter-wave, optical components, cable assemblies, mechanical assemblies and microwave testing.
- 1.3. **Exclusions**

Requirements of ISO 9001 standard that do not apply are excluded from the scope of our quality system. **AD Micro-assembly excludes all requirements of clause 7.3 - Design and Development.** The AD Micro-assembly quality management system is relevant to the nature of our organization and products; and to customer and regulatory requirements. The Management Representative is responsible for identifying those requirements of ISO 9001 that do not apply to AD Micro-assembly products and services.

2. NORMATIVE REFERENCE

- 2.1. ISO 9001: Quality Management System – Requirements.

3. TERMS AND DEFINITIONS

- 3.1. Applicable – related to this quality management system or any referenced standard.
- 3.2. Appropriate – reasonable.
- 3.3. Documented – written.
- 3.4. Product – end result of a process.
- 3.5. Shall – must.
- 3.6. Suitable – reasonable for intended purpose.
- 3.7. Q-Pulse – A Quality Management Application for control, storage and retrieval of QMS documentation and records.

| | | | |
|--------------------------|------------|---------------------------|--------------|
| AD Micro-assembly | | Quality Manual | |
| Doc. No. 40-00 | Rev. No. 2 | Effective Date: 1/23/2007 | Page 3 of 19 |

4. QUALITY MANAGEMENT SYSTEM

4.1. General Requirements

- 4.1.1. AD Micro-assembly identifies the processes needed for the quality management system and their application per SOP 41-01, Quality Management System - General.
- 4.1.2. AD Micro-assembly determines the sequence and interactions of processes by carefully analyzing processes, systems, and procedures per SOP 54-02-Quality Management System Planning. Documentation of these process sequence and interactions may be in various forms, such as, Flowcharts, Gantt charts, memoranda, and other internal documents. Key processes are defined in the deployment chart/ process map Key Processes at the end of this Manual. Inputs, Outputs, process owners and metrics (where applicable) are defined in individual process maps as detailed in Q-Pulse.
- 4.1.3. AD Micro-assembly determines criteria and methods to ensure Quality Management System processes based on the nature, relative importance, and priority. Document these criteria and methods per SOP 54-02, Quality Management System Planning.
- 4.1.4. AD Micro-assembly ensures the availability of resources and information necessary to support the operation and monitoring of these processes per SOP 72-01 Determination of Customer Requirements, SOP 61-01, Provision of Resources and SOP 62-02, Competence, Awareness and Training.
- 4.1.5. AD Micro-assembly monitors, measures, and analyses these processes based upon key processes and defined metrics. Metrics are defined by Quality Objectives per SOP 54-02, and monitored, measured, and analyzed by Top Management on a monthly basis. AD Micro-assembly also analyzes this data per SOP 56-01, Management Review, SOP 82-02, Internal Audit and SOP 84-01 Analysis of Data.
- 4.1.6. AD Micro-assembly implements actions necessary to achieve planned results per SOP 85-02, Corrective Action and continual improvement of these processes per SOP 85-01, Continual Improvement.
- 4.1.7. AD Micro-assembly out sources calibration of Monitoring and Measuring devices. Management and Control of this process is detailed in *SOP 76-01- Control of Monitoring and Measurement Devices*. AD Micro-assembly only employs certified laboratories, performing calibration using internationally recognized standards. Where standards do not exist, the details of the calibration or verification must be recorded. AD Micro-assembly maintains records of these calibrations per SOP 42-04 – Control of Records.

| AD Micro-assembly | | Quality Manual | |
|--------------------------|------------|---------------------------|--------------|
| Doc. No. 40-00 | Rev. No. 2 | Effective Date: 1/23/2007 | Page 4 of 19 |

4.2. General Documentation Requirements

- 4.2.1. AD Micro-assembly Quality Manual is the top-tier or Level 1 document per SOP 42-01, Documentation Requirements
- 4.2.2. AD Micro-assembly Standard Operating Procedures required by ISO 9001 Standard are Level 2 documents.
- 4.2.3. AD Micro-assembly Product Specifications, Engineering Drawings, Bills of Material and other technical documentation that describe product assembly, servicing processes and flowcharts, etc... are Level 3 documents.
- 4.2.4. AD Micro-assembly Product History Records (work instructions), product and process test records, training records, and other quality records etc. are Level 4 documents.

4.3. Control of Documents

- 4.3.1. AD Micro-assembly controls all applicable internal and external documents and data such as SOP's, external standards, Engineering Drawings, Bills of Material, Labeling, Test Procedures, Product Master Records, and Product History Records per SOP 42-03, "Control of Documents".
- 4.3.2. AD Micro-assembly reviews and approves all applicable documents for adequacy prior to issue. AD Micro-assembly maintains a Master Document List. All documents in the Master Document List contain effective date and current revision level per SOP 42-03, "Control of Documents".
- 4.3.3. AD Micro-assembly also ensures only pertinent issues of appropriate documents are available for use and obsolete documents are promptly removed and suitably identified to prevent inadvertent use.

4.4. Control of Records

- 4.4.1. AD Micro-assembly maintains quality records per SOP 42-04, "Control of Records". The following are examples of AD Micro-assembly quality records:
 - 4.4.1.1. Organizational Charts
 - 4.4.1.2. Quotation Records
 - 4.4.1.3. Incoming Inspection Records
 - 4.4.1.4. In-Process Inspection and Final Inspection Records
 - 4.4.1.5. Completed Work Instructions
 - 4.4.1.6. Supplier evaluation and Approvals
 - 4.4.1.7. Receiving Records

| AD Micro-assembly | | Quality Manual | |
|--------------------------|------------|---------------------------|--------------|
| Doc. No. 40-00 | Rev. No. 2 | Effective Date: 1/23/2007 | Page 5 of 19 |

- 4.4.1.8. Equipment Calibration Records
- 4.4.1.9. Meeting and Management Review Minutes
- 4.4.1.10. Non conformance Records (such as customer complaints)
- 4.4.1.11. Internal Audit Records
- 4.4.1.12. Records of Corrective and Preventive actions.
- 4.4.1.13. Training Records

5. MANAGEMENT RESPONSIBILITY

5.1. Management Commitment

- 5.1.1. AD Micro-assembly top management defines, develops and implements the quality management system per SOP 51-01, Management Commitment.
- 5.1.2. Top management ensures that employees at all levels within the organization understand the goals and objectives of AD Micro-assembly quality management system.
- 5.1.3. AD Micro-assembly conducts Monthly staff / departmental meetings and discusses the importance of meeting the following:
 - 5.1.3.1. Customer requirements.
 - 5.1.3.2. Quality objectives.
 - 5.1.3.3. Continuous improvement goals.

| AD Micro-assembly | | Quality Manual | |
|--------------------------|------------|---------------------------|--------------|
| Doc. No. 40-00 | Rev. No. 2 | Effective Date: 1/23/2007 | Page 6 of 19 |

5.2. Customer Focus

5.2.1. AD Micro-assembly ensures that customer requirements are determined and fulfilled per SOP 82-01, Customer Satisfaction and 85-01, Continual Improvement.

5.3. Quality Policy

AD Micro-assembly's mission is to be the most reliable supplier in our industry. Provide our customers with the highest quality, continuous on-time deliveries and unequaled service.

AD Micro-assembly is committed to:

- ❖ Meeting all customer requirements
- ❖ On-time delivery of reliable, defect free product
- ❖ Unparalleled responsiveness to our customers needs
- ❖ Continual improvement of our Quality Management System

AD Micro-assembly reviews the Quality Policy for effectiveness each management review Per SOP 53-01 – Quality Policy

5.4. Quality Planning

5.4.1. When a new product, project, or contract is evaluated for adoption into AD Micro-assembly' quality system, the appropriate staff members meet to define and document how the requirements for quality will be met per SOP 54-01, "Quality Planning".

5.4.1.1. An assessment is prepared of the impact new products, projects, or contracts will have with regards to the following resources:

5.4.1.1.1. Information Technology: determine the computer hardware, software, and applications.

5.4.1.1.2. Documentation: engineering drawings, Bills of Material (BOM's), Standard Operating Procedures (SOP's), and other manufacturing documents.

5.4.1.1.3. Equipment: manufacturing equipment, servicing equipment and inspection, measuring and test equipment.

5.4.1.1.4. Human resources: ensure all staff has appropriate skills for the job/tasks performed.

| AD Micro-assembly | | Quality Manual | |
|--------------------------|------------|---------------------------|--------------|
| Doc. No. 40-00 | Rev. No. 2 | Effective Date: 1/23/2007 | Page 7 of 19 |

5.4.1.1.5. Parts: availability of raw materials, components, and manufacturing aids.

5.4.1.1.6. Quality audits: planned audit(s) after activity completion.

5.4.1.2. AD Micro-assembly builds its products according to documented procedures (work instructions), Product Specifications, and Engineering Drawings and Bills of Material. This documentation is kept in appropriate Product Master Records and updated per SOP 71-01, "Planning of Product Realization".

5.4.2. Quality Management System Planning

5.4.2.1. Top Management ensures planning to meet requirements and quality objectives per SOP 54-02 - Quality Management System Planning.

5.4.2.2. Measurable objectives are defined as key processes are created, reviewed in monthly staff meetings, and reviewed for suitability and effectiveness during management review.

5.5. Responsibility, Authority and Communication

5.5.1. Responsibility and Authority

5.5.1.1. AD Micro-assembly defines the responsibilities and authorities of staff at all levels per SOP 55-01, Responsibility and Authority. AD Micro-assembly maintains job descriptions where additional specific responsibilities and authorities are described.

5.5.1.2. AD Micro-assembly defines the interrelation of staff at all levels per SOP 55-02, Department Responsibilities.

5.5.1.3. AD Micro-assembly communicates these responsibilities and authorities and their interrelation are defined and communicated at all levels per at least annually.

5.5.2. Management Representative

5.5.2.1. AD Micro-assembly appoints the Quality Systems Manager as the Management Representative per SOP 55-02, Management Representative.

5.5.2.2. Management Representative is authorized and responsible for:

5.5.2.2.1. Ensuring the quality management system is implemented, maintained and continually improved.

5.5.2.2.2. Promoting awareness of customer requirements throughout the organization.

| AD Micro-assembly | | Quality Manual | |
|--------------------------|------------|---------------------------|--------------|
| Doc. No. 40-00 | Rev. No. 2 | Effective Date: 1/23/2007 | Page 8 of 19 |

5.5.2.2.3. Reporting to the top management on the performance of the quality system, including needs for improvement.

5.5.2.2.4. Coordinating communication with external parties on matters relating to the quality system and ISO 9001 registration.

5.5.3. Internal Communication

5.5.4. AD Micro-assembly communicates the effectiveness of its quality management system periodically to staff via:

5.5.4.1. **Monthly:** Staff/Departmental meetings per SOP 51-01, Management Commitment.

5.5.4.2. **Annually:** Management Review meetings per SOP 56-01, Management Review.

5.6. Management Review

5.6.1. AD Micro-assembly examines the overall state of the Quality Management System quarterly per SOP 56-01, "Management Review". Management analyzes and reviews a minimum of the following data to ensure its continuing suitability, adequacy and effectiveness:

5.6.1.1. Customer Satisfaction trends and issues per SOP 82-01, Customer Satisfaction.

5.6.1.2. Results of internal quality audits per SOP 82-02, Internal Audit.

5.6.1.3. Process performance and product conformity per SOP 83-01, Control of Non-conforming Products.

5.6.1.4. Review of key business drivers or metrics defined in SOP 84-01, Analysis of Data.

5.6.1.5. Recommendations for improvement per SOP 85-01, Continuous Improvement.

5.6.1.6. Status of corrective and preventive action per SOP 85-02, Corrective Action and SOP 85-03 Preventive Action.

5.6.2. Management Review records, include all decisions and actions regarding

5.6.2.1. Improvement of the effectiveness of the quality management system and its process.

5.6.2.2. Improvement of product and services related to customer requirements.

5.6.2.3. Resource needs.

| AD Micro-assembly | | Quality Manual | |
|--------------------------|------------|---------------------------|--------------|
| Doc. No. 40-00 | Rev. No. 2 | Effective Date: 1/23/2007 | Page 9 of 19 |

6. Resource Management

6.1. Provision of Resources

- 6.1.1. AD Micro-assembly determines and provides the resources needed to implement and maintain the quality management system per SOP 54-02, Quality Management System Planning.
- 6.1.2. AD Micro-assembly continually improves its effectiveness and enhances customer satisfaction per SOP 82-01, Customer Satisfaction.

6.2. Human Resources

6.2.1. General

- 6.2.1.1. AD Micro-assembly hires competent personnel. Personnel competencies are based on appropriate education, training, skills, and experience. AD Micro-assembly maintains records of education, training, skills, and experience of all staff. AD Micro-assembly manages its human resources per SOP 61-01, Provision of Resources.

6.2.2. Competence, Awareness, Training

- 6.2.2.1. AD Micro-assembly determines the necessary competence for personnel performing work-affecting quality. These competencies are translated into essential job duties and described in Job Descriptions.
- 6.2.2.2. AD Micro-assembly identifies employee-training needs via Job Descriptions. Training for all personnel are documented per SOP 62-02, "Training".
- 6.2.2.3. AD Micro-assembly provides on-the-job training and periodically evaluates the training provided per SOP 62-02.
- 6.2.2.4. AD Micro-assembly communicates its personnel the relevance and importance of their activities and how they contribute to the quality objectives during monthly staff meetings.

6.3. Infrastructure

- 6.3.1. AD Micro-assembly provides and maintains buildings, workspace, equipment, and support services needed to achieve conformity to product requirements, per SOP 63-01, Infrastructure.

6.4. Work Environment

- 6.4.1. AD Micro-assembly manages the work environment in accordance with all general health and safety requirements, employee agreements, and laws and regulations per SOP 64-01, Work Environment.

| <i>AD Micro-assembly</i> | | Quality Manual | |
|--------------------------|------------|---------------------------|---------------|
| Doc. No. 40-00 | Rev. No. 2 | Effective Date: 1/23/2007 | Page 10 of 19 |

7. Product Realization

7.1. Planning of Product Realization

- 7.1.1. AD Micro-assembly quality objectives for products and services are defined in assembly procedures, engineering drawings and specifications, contract documents, internal and external standards, and workmanship standards, and applicable legal and regulatory requirements per SOP 71-01, Planning of Product Realization.
- 7.1.2. AD Micro-assembly conducts the required verification, validation, monitoring, inspection and test activities per processes defined in product work instructions.

7.2. Customer Related Process

7.2.1. Determination of Customer Requirements.

7.2.1.1. For product requirements specified by the customer (custom products), various AD Micro-assembly departments review the requirements. The team also reviews requirements not specified by the customer (such as packaging, handling, training, tooling, and stencils) and the company's capacity and capability to meet all applicable requirements before the order is taken.

7.2.2. Review of Requirements Related to the Product (Contract Review).

7.2.2.1. All customer orders are reviewed to ensure AD Micro-assembly can provide products and services in an efficient and accurate manner per SOP 72-02, "Review of Customer Requirements". Those orders that become back-orders shall have the highest priority in order to fulfill customer commitments.

7.2.2.2. When amendments to contracts are made, the customers and appropriate AD Micro-assembly departments are notified of the changes.

7.2.3. Customer Communication

7.2.3.1. AD Micro-assembly processes customer feedback and complaints per SOP 82-01, Customer Satisfaction. Each calendar, prepare a complaint trend analysis and submit to management for management review meetings. The complaint trend analysis includes some of the following categories:

7.2.3.1.1. Product Performance: The product in some way does not perform to customer's expectation, or to any level of performance conveyed to the customer verbally or by printed labeling.

7.2.3.1.2. Product Safety: A complaint reporting the death, serious injury, or serious illness of a customer due to a product's malfunction.

| AD Micro-assembly | | Quality Manual | |
|--------------------------|------------|---------------------------|---------------|
| Doc. No. 40-00 | Rev. No. 2 | Effective Date: 1/23/2007 | Page 11 of 19 |

7.2.3.1.3. Product Reliability: The failure rate or service adjustment rate of the product is greater than the customer's expectation.

7.2.3.1.4. Product Appearance: The product contains visual defects that are inconsistent with the customer's expectations for the product.

7.3. Design Control - excluded

7.3.1. AD Micro-assembly excludes requirements pertaining to design and development. Requirements for design and Development assistance can be forwarded to our manufacturing partner MassMicro Electronics, 50 Energy Drive, Canton MA 02021 – 1-781-828-6110.

7.4. Purchasing

7.4.1. Purchasing Process

7.4.1.1. AD Micro-assembly ensures that purchased parts and services meet established specifications per SOP 74-01, "Purchasing".

7.4.1.2. AD Micro-assembly evaluates and selects supplier on the basis of their ability to meet supplier requirements and the requirements imposed by this quality system per SOP 74-01, "Purchasing".

7.4.2. Purchasing Information

7.4.2.1. AD Micro-assembly purchasing documents describe the components or services ordered, and the requirements for approval of components and/or services. Only personnel with Purchase order creation rights are able to create purchase records.

7.4.2.2. Verification of Purchased Products - Verification that purchased components meet specified purchase requirements is performed per SOP 74-03, "Verification of Purchased Parts".

7.4.2.3. Should verification of purchased components be required at the supplier's premises, AD Micro-assembly will make prior arrangements with the supplier.

7.5. Process Control

7.5.1. Control of Production and Service

7.5.1.1. AD Micro-assembly plans and ensures production processes are carried out under controlled conditions per SOP 75-01, "Control of Service and Production Provision". For example:

| <i>AD Micro-assembly</i> | | Quality Manual | |
|--------------------------|------------|---------------------------|---------------|
| Doc. No. 40-00 | Rev. No. 2 | Effective Date: 1/23/2007 | Page 12 of 19 |

- 7.5.1.1.1. Production processes and equipment are properly monitored and controlled.
- 7.5.1.1.2. Production processes and equipment are properly approved and validated.
- 7.5.1.1.3. Assembly instructions are described in appropriate SOP's and Engineering Drawings.
- 7.5.1.2. AD Micro-assembly ensures it's products are properly labeled per SOP 75-03 "Identification and Traceability" using the following controls:
 - 7.5.1.2.1. Labeling operations are separated physically or spatially to prevent mislabeling.
 - 7.5.1.2.2. Labeling areas are inspected prior to start to verify that only the pertinent labels are present.
 - 7.5.1.2.3. Labels and labeling are stored to ensure proper identification and prevent mislabeling.
- 7.5.1.3. AD Micro-assembly ensures its manufacturing processes are documented per SOP 75-01, "Control of Production and Service Provision".
- 7.5.1.4. AD Micro-assembly ensures its manufacturing instructions are reviewed and approved prior to issue per SOP 42-04, "Control of Records".
- 7.5.1.5. AD Micro-assembly only uses products that have passed required inspection and tests and documents the products' conformance/nonconformance status per SOP 75-02, "Validation of Processes".
- 7.5.1.6. AD Micro-assembly ensures it's products are handled, stored, packaged, preserved, and delivered per SOP 75-05, "Preservation of Product"
- 7.5.1.7. AD Micro-assembly ensures maintenance of manufacturing equipment is documented per SOP 76-01, "Control of Monitoring and Measuring, Devices".
- 7.5.1.8. AD Micro-assembly ensures company personnel training and qualification are properly documented as per SOP 62-02, "Competency, Awareness, and Training".
- 7.5.2. Validation of Production and Service
 - 7.5.2.1. AD Micro-assembly validates its products, production and service operations and processes per SOP 75-02, Validation of Processes.
- 7.5.3. Product Identification and Traceability

| AD Micro-assembly | | Quality Manual | |
|--------------------------|------------|---------------------------|---------------|
| Doc. No. 40-00 | Rev. No. 2 | Effective Date: 1/23/2007 | Page 13 of 19 |

7.5.3.1. AD Micro-assembly identifies products from receipt of components, through production, and to delivery to the customer per SOP 75-03, "Identification and Traceability".

7.5.4. Control of Customer Supplied Product

7.5.4.1. Customer supplied products are permitted to enter AD Micro-assembly premises per SOP 75-04, "Customer Property".

7.5.5. Handling, Storage, Packaging, Preservation, and Delivery

7.5.5.1. AD Micro-assembly handles, stores, packages, preserves, and delivers products per SOP 75-05, "Preservation of Product".

7.6. Control of Monitoring and Measuring Devices

7.6.1. AD Micro-assembly out-sources the calibration of specified equipment to accredited laboratories who perform the following to ensure valid results of measuring equipment:

7.6.2. AD Micro-assembly controls, calibrates, and maintains inspection, measuring, and test equipment and ensures the equipment is used within established tolerances per SOP 76-01, "Control of Monitoring and Measurement Devices".

8. Measurement, Analysis and Improvement -General

8.1.1. AD Micro-assembly plans and implements the measurement, analysis and improvement operations to verify whether quality activities comply with planned arrangements and to determine the effectiveness of the quality system per

8.1.1.1. SOP 82-01, "Customer Satisfaction".

8.1.1.2. SOP 82-02, "Internal Audit"

8.2. Monitoring and Measurement

8.2.1. Customer satisfaction

8.2.1.1. AD Micro-assembly determines, monitors, and measures customer satisfaction by various methods per SOP 82-01, "Customer Satisfaction. The following are some of the methods by which customer satisfaction is determined:

8.2.1.1.1. Customer Surveys

8.2.1.1.2. Unsolicited customer satisfaction and feedback.

8.2.1.1.3. Awards and recognition

8.2.1.1.4. Product Conformity

| AD Micro-assembly | | Quality Manual | |
|--------------------------|------------|---------------------------|---------------|
| Doc. No. 40-00 | Rev. No. 2 | Effective Date: 1/23/2007 | Page 14 of 19 |

8.2.1.1.5. On-Time Delivery

8.2.1.1.6. Responsiveness to Customer Inquiries.

8.2.1.2. Customer Satisfaction trend analysis are prepared quarterly and reported to the quarterly Management Review meetings.

8.2.2. Internal Audit

8.2.2.1. AD Micro-assembly plans and implements internal quality audits to verify whether quality activities comply with planned arrangements and to determine the effectiveness of the quality management system per SOP 82-02, "Internal Audit".

8.2.2.2. AD Micro-assembly audits are carried out by managers who do not have direct responsibilities for the activities being audited. All audit procedures and results are composed and maintained by AD Micro-assembly.

8.2.2.3. The results of the audits are shared with AD Micro-assembly' Top Management and the personnel responsible for the area audited. AD Micro-assembly takes timely corrective action on the deficiencies found during the audit. Follow-up audits, if necessary, record the implementation and effectiveness of the corrective action taken.

8.2.3. Monitoring and Measurement of Processes

8.2.3.1. AD Micro-assembly monitors and measures the performance and determines the effectiveness of the quality management system per SOP 82-02, "Internal Audit". AD Micro-assembly also monitors metrics defined for key processes. These are defined as a result of Quality Planning, continuous improvement initiatives, or management review results and are reviewed at least monthly; frequency may increase based on performance to goals.

8.2.4. Monitoring and Measurement of Product

8.2.4.1. AD Micro-assembly inspects and tests products to verify their specified requirements are met per 82-04, "Monitoring and Measurement of Product".

8.2.4.2. Receiving and Inspection Testing

8.2.4.2.1. AD Micro-assembly ensures that incoming components are not used or processed until they have been inspected.

8.2.4.3. In-Process Inspection and Testing

8.2.4.3.1. AD Micro-assembly inspects and tests in-process materials as per appropriate per SOP 82-04 – Monitoring and Measurement of Product.

| AD Micro-assembly | | Quality Manual | |
|--------------------------|------------|---------------------------|---------------|
| Doc. No. 40-00 | Rev. No. 2 | Effective Date: 1/23/2007 | Page 15 of 19 |

8.3. Control of Nonconforming Product

8.3.1. AD Micro-assembly ensures products or components that do not conform to specified requirements are prevented from unintended use or installation per SOP 83-01, "Control of Nonconforming Product". Documentation of product nonconformance includes identification, evaluation, and disposition of the nonconforming product.

8.4. Analysis of Data

8.4.1. AD Micro-assembly utilizes statistical techniques for establishing, controlling, and verifying process capabilities and product characteristics per SOP 84-01, "Analysis of data".

8.5. Improvement

8.5.1. Continuous Improvement

8.5.1.1. AD Micro-assembly continuously improves its operations per SOP 85-01, Continual Improvement.

8.5.1.2. Each Management review, the management team determines Goals and Objectives for improving the AD Micro-assembly operations. Actual Goals are maintained in SOP 84-01 - Analysis of Data.

8.5.1.3. Report the status of the goals and objectives for improving the operations during monthly staff meetings and during the Bi-annual Management Review meetings

8.5.1.4. AD Micro-assembly encourages personnel at all levels to provide ideas for improving products, processes, systems, productivity, and the work environment per SOP 85-01, Continuous Improvement.

8.5.2. Corrective Action

8.5.2.1. AD Micro-assembly maintains documented procedures for implementing effective corrective and preventive action per SOP 85-02, "Corrective Action" and SOP 85-03 "Preventive Action". AD Micro-assembly corrective action procedures include the following:

8.5.2.1.1. Effective handling of customer complaints and reports of product nonconformity.

8.5.2.1.2. Investigating the cause of nonconformity's relating to products, processes, and the quality system.

8.5.2.1.3. Determining the corrective action needed to eliminate the cause of nonconformity.

| <i>AD Micro-assembly</i> | | Quality Manual | |
|--------------------------|------------|---------------------------|---------------|
| Doc. No. 40-00 | Rev. No. 2 | Effective Date: 1/23/2007 | Page 16 of 19 |

8.5.2.1.4. Applying controls to ensure that corrective action is taken and that it is applied effectively

8.5.3. Preventive Action

8.5.3.1. AD Micro-assembly preventive action procedures include the following:

8.5.3.1.1. Use of appropriate sources of information to detect, analyze, and eliminate potential causes of the nonconformity.

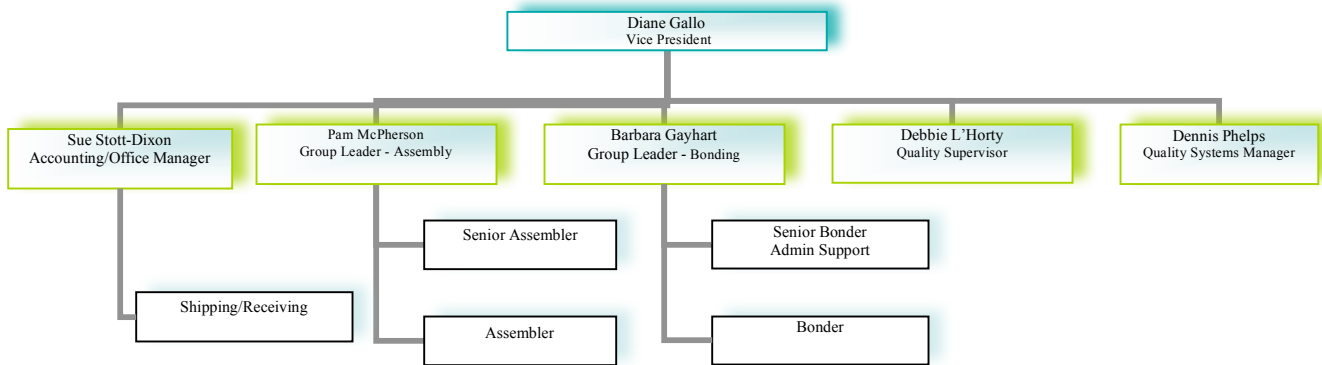
8.5.3.1.2. Determining the steps needed to deal with any problems requiring preventive action.

8.5.3.1.3. Initiating preventive action and applying controls to ensure that it is effective.

8.5.3.1.4. Ensuring that relevant information on actions taken, including changes to procedures, is submitted for management review.

| | | | |
|--------------------------|------------|---------------------------|---------------|
| AD Micro-assembly | | Quality Manual | |
| Doc. No. 40-00 | Rev. No. 2 | Effective Date: 1/23/2007 | Page 17 of 19 |

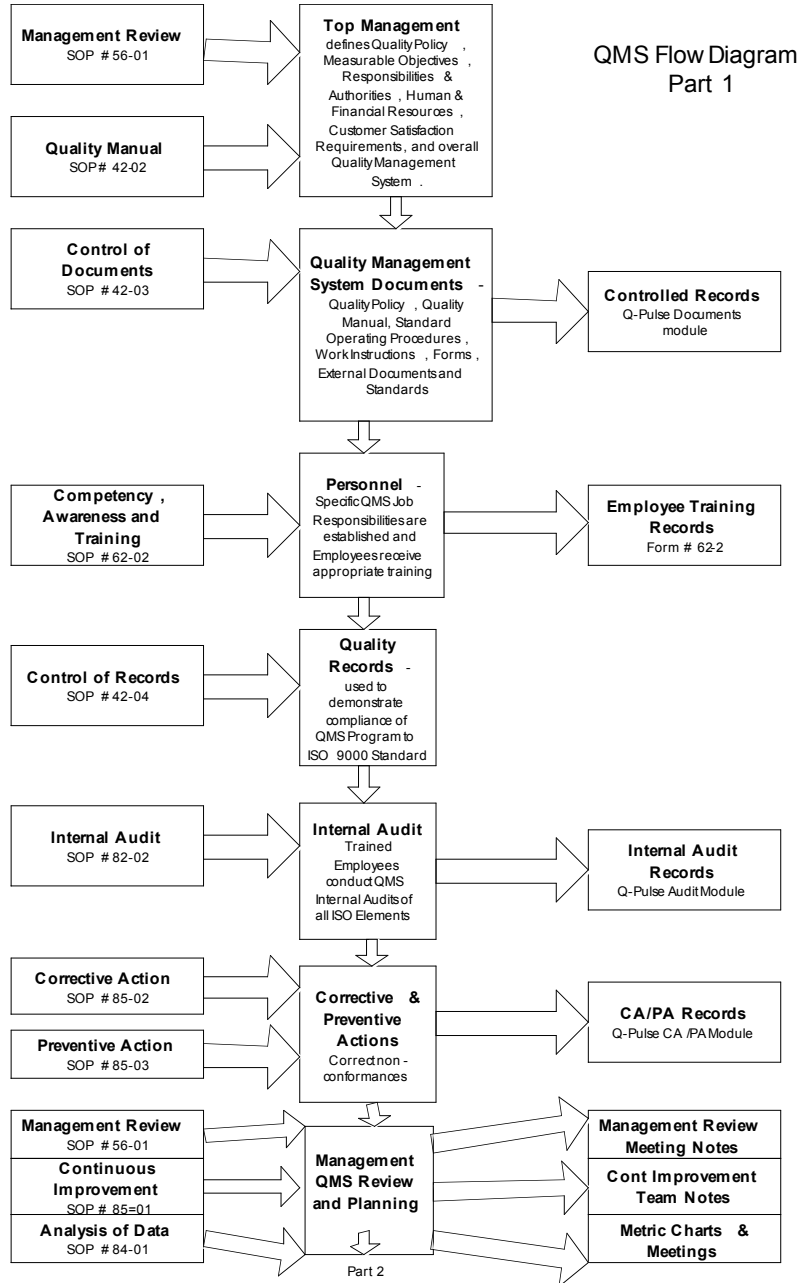
Attachment A
Organizational Chart



| | | | |
|--------------------------|------------|---------------------------|---------------|
| AD Micro-assembly | | Quality Manual | |
| Doc. No. 40-00 | Rev. No. 2 | Effective Date: 1/23/2007 | Page 18 of 19 |

Attachment B

Sequence and Interactions of Processes



| | | | |
|--------------------------|------------|---------------------------|---------------|
| AD Micro-assembly | | Quality Manual | |
| Doc. No. 40-00 | Rev. No. 2 | Effective Date: 1/23/2007 | Page 19 of 19 |

**QMS Flow Diagram
Part 2**

