

PROXY

MANUFACTURING, INC

Quality Manual

Revised 12/02/2015



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I. QUALITY POLICY

Quality Policy:

It is the policy of Proxy Manufacturing, Inc., to manufacture products with the finest possible workmanship that continually meets or exceeds our customer's specifications. Proxy Manufacturing, Inc. is also dedicated to meeting customer delivery requirements in order to achieve the highest possible customer satisfaction.

Mission:

"Proxy Manufacturing Incorporated is committed to providing its customers, the finest quality products in the electronic industry by utilizing the highest quality standards, workmanship standards, and technical manufacturing processes available. Proxy also strives for continued strategic partnerships with our customers and suppliers and to remain the preferred innovative producer of assemblies, resulting in sustained growth and profitability."

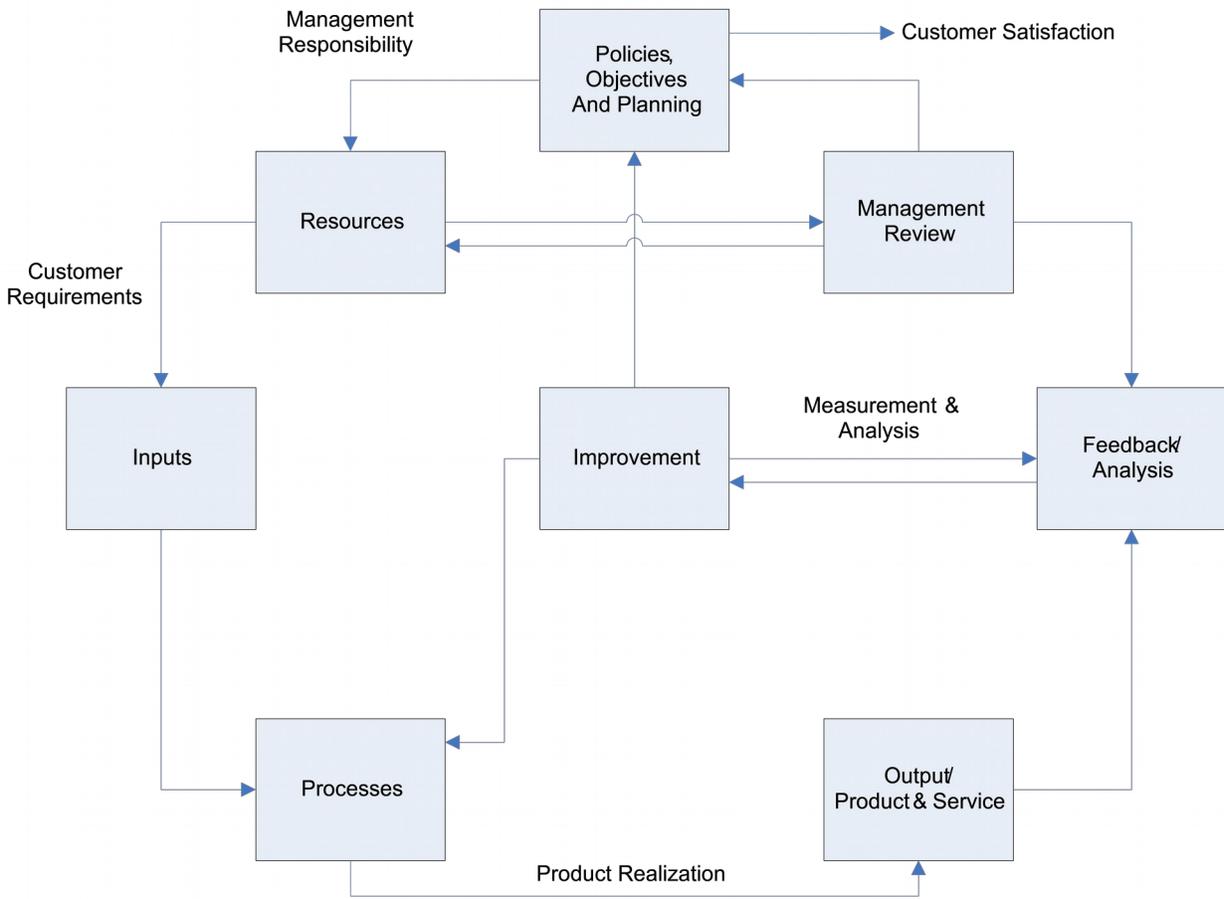
Shawn D. Foy
President / CEO

Safety & Environmental Policy:

It is the policy of Proxy Manufacturing, Inc., to provide a safe and healthful workplace for its employees and to operate in a manner that is protective of the community and the environment. Proxy Manufacturing, Inc. will operate in such a manner as to eliminate or minimize all potential hazards and to avoid accidents involving injury to personnel, damage to property or loss of operating time and effectiveness. In addition, it is our goal to eliminate pollution to the atmosphere, ground water or land and to minimize potential exposure to hazardous materials.

II. PROCESS APPROACH

Process Approach
For Continuous
Improvement of the
Quality Management
System

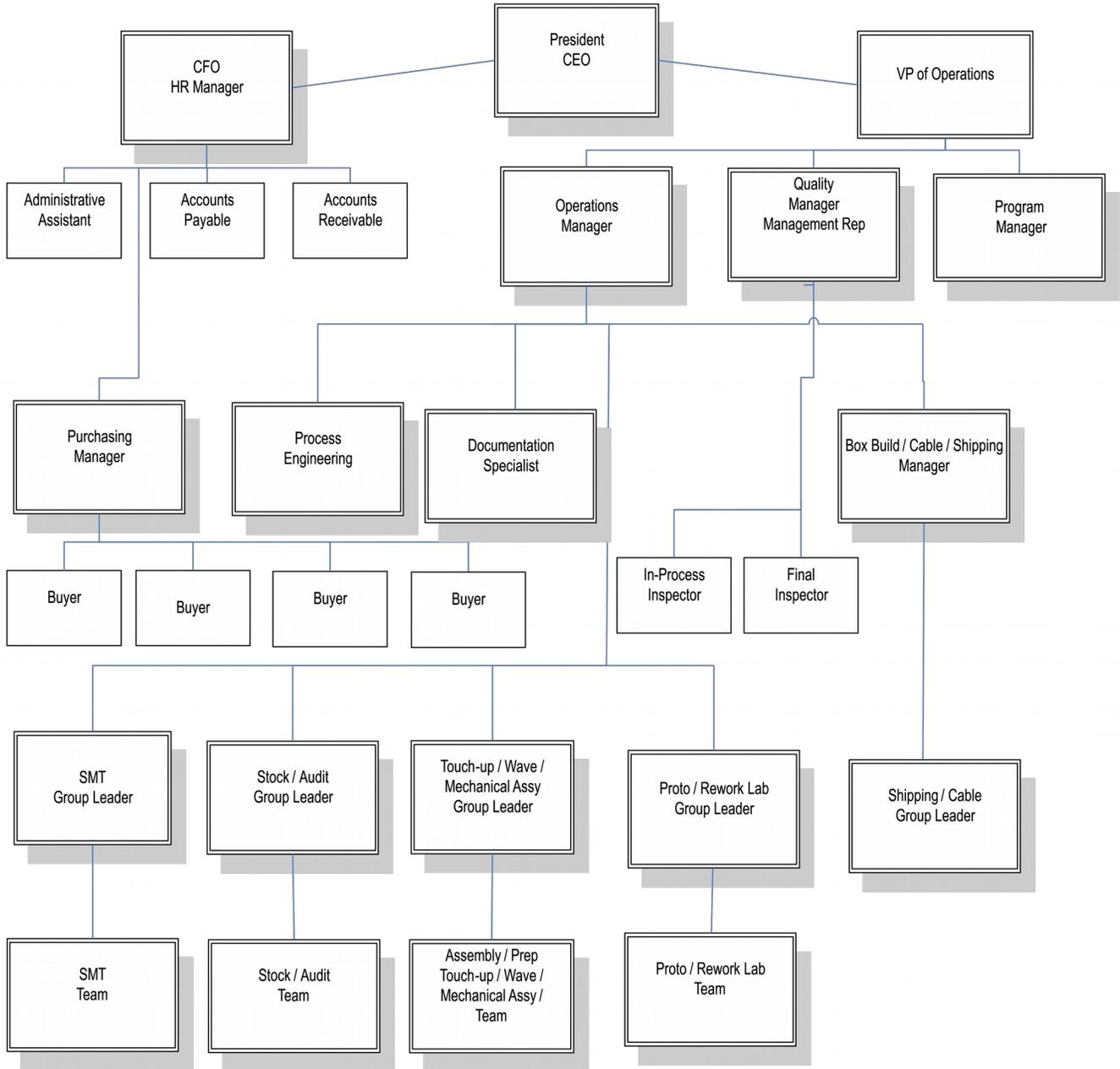




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III. ORGANIZATION CHART



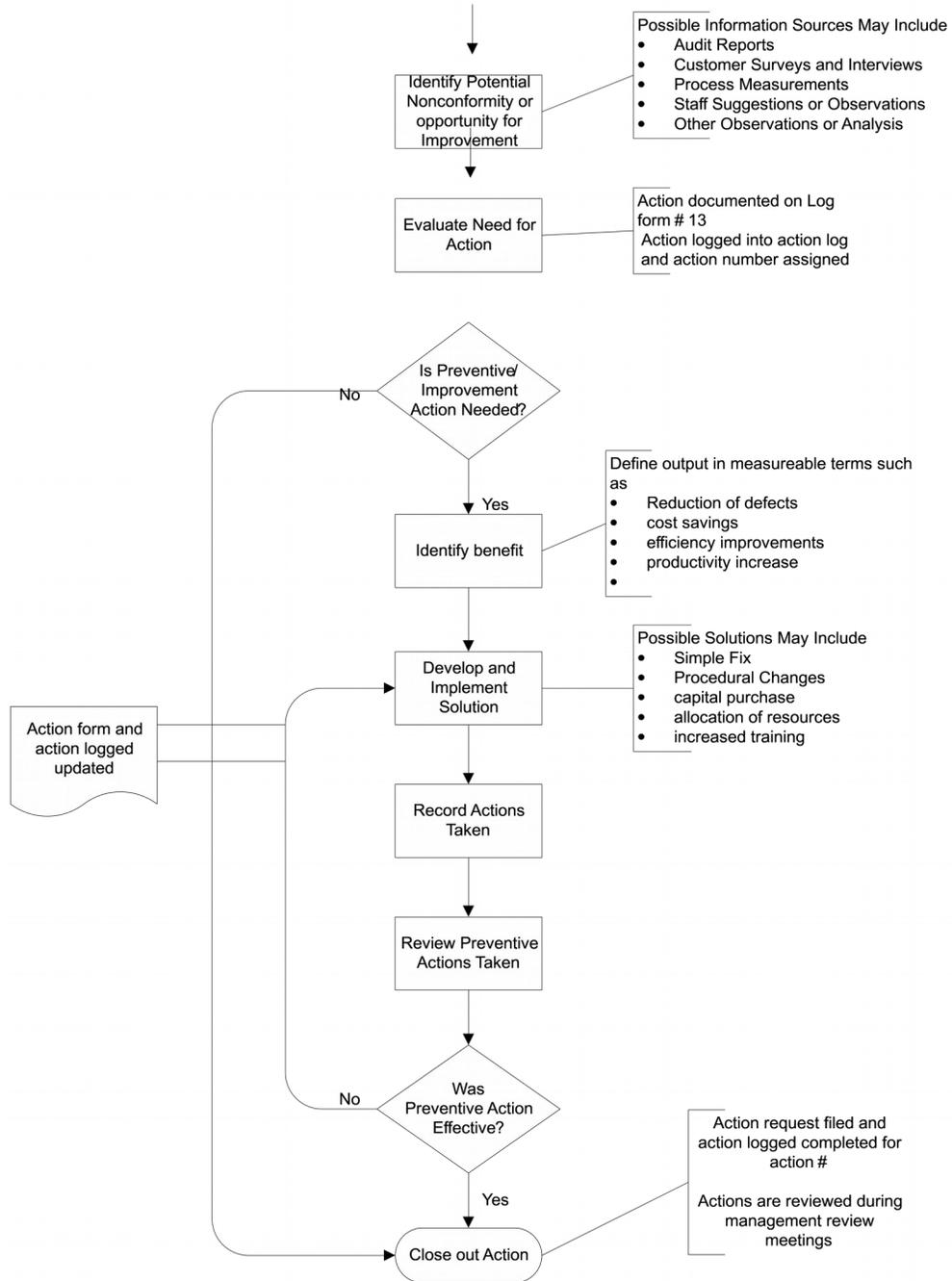


IV. CORRECTIVE / PREVENTATIVE ACTION FLOW CHART



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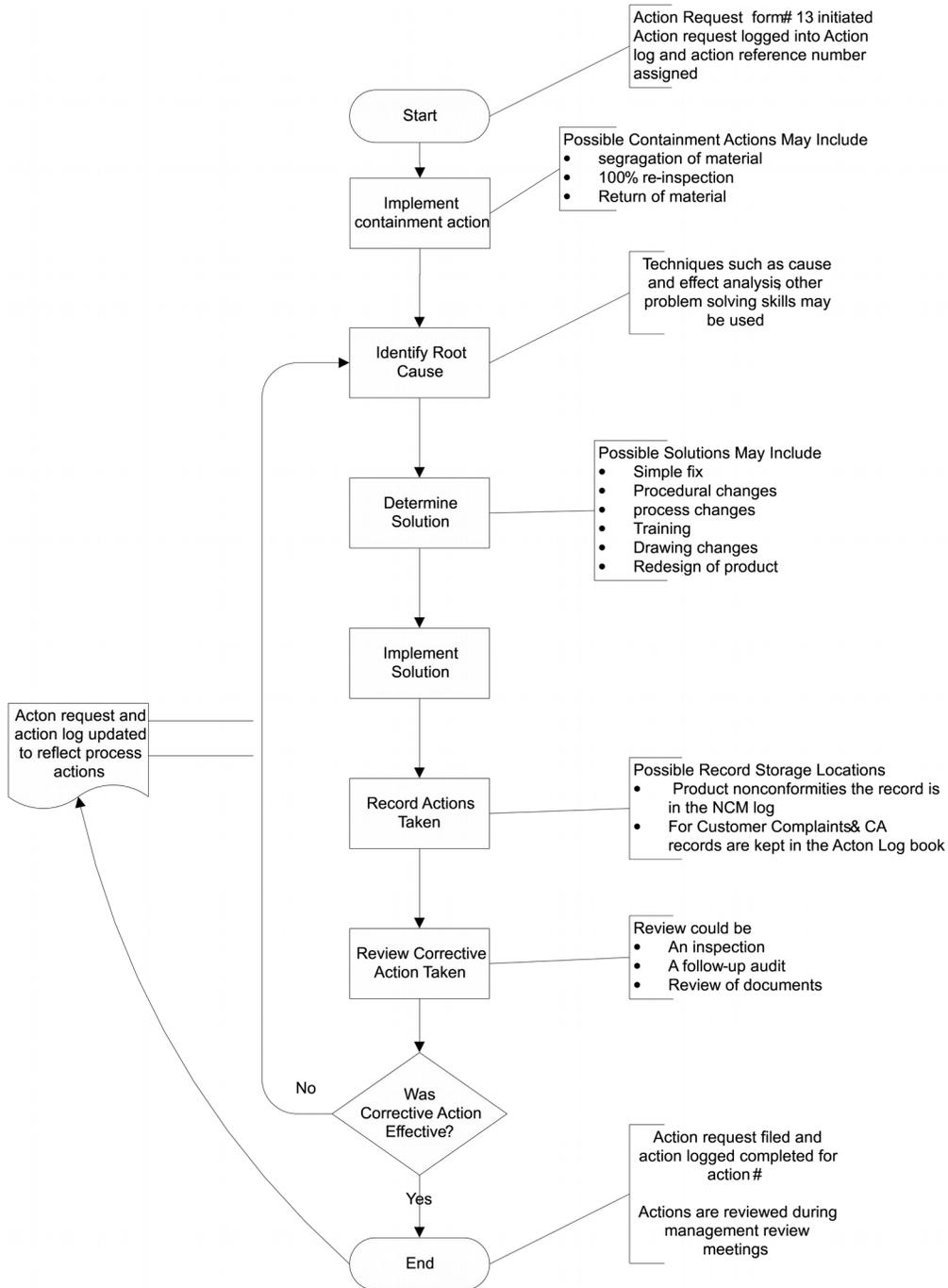


IV. CORRECTIVE / PREVENTATIVE ACTION FLOW CHART (cont.)

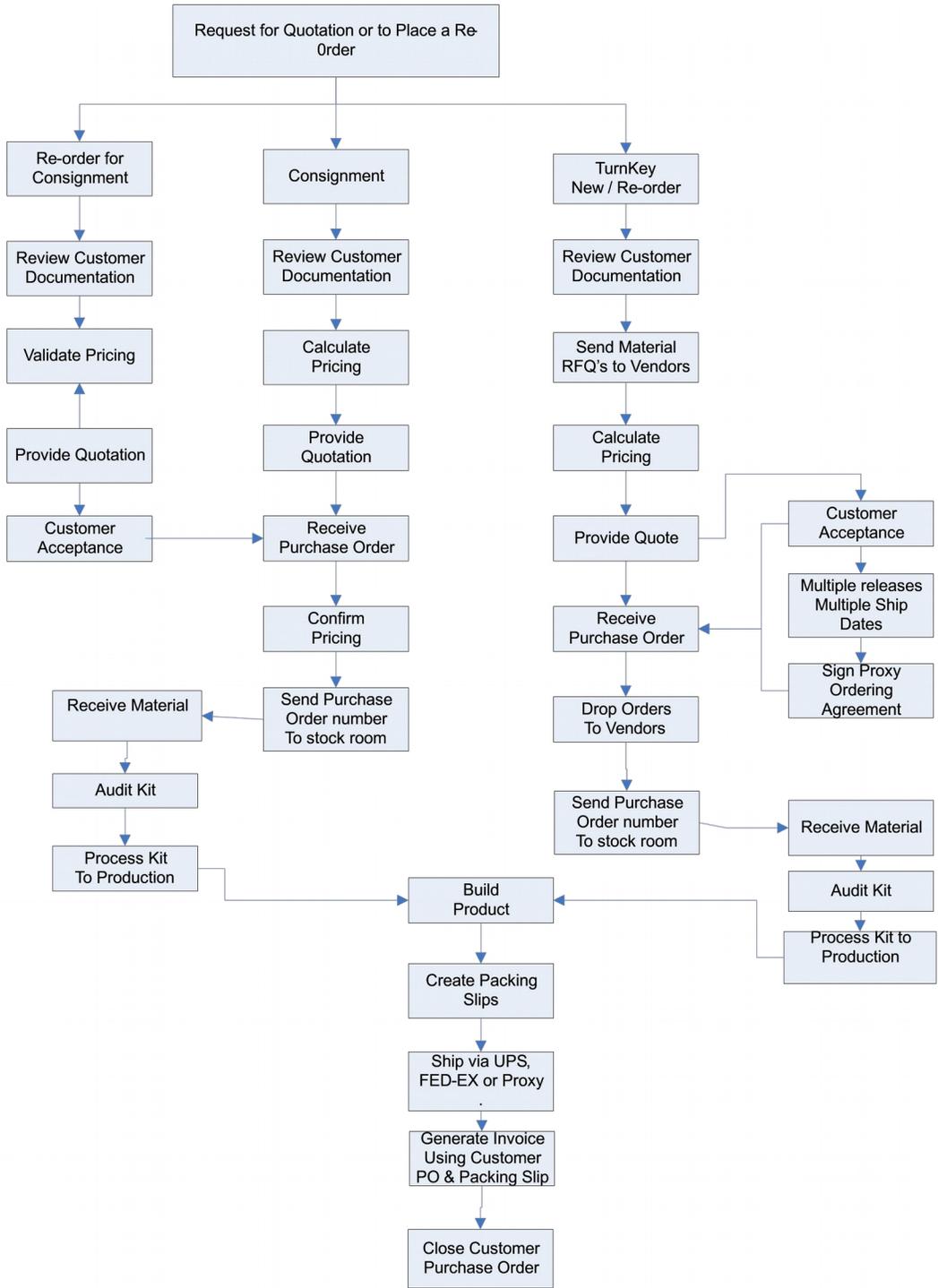


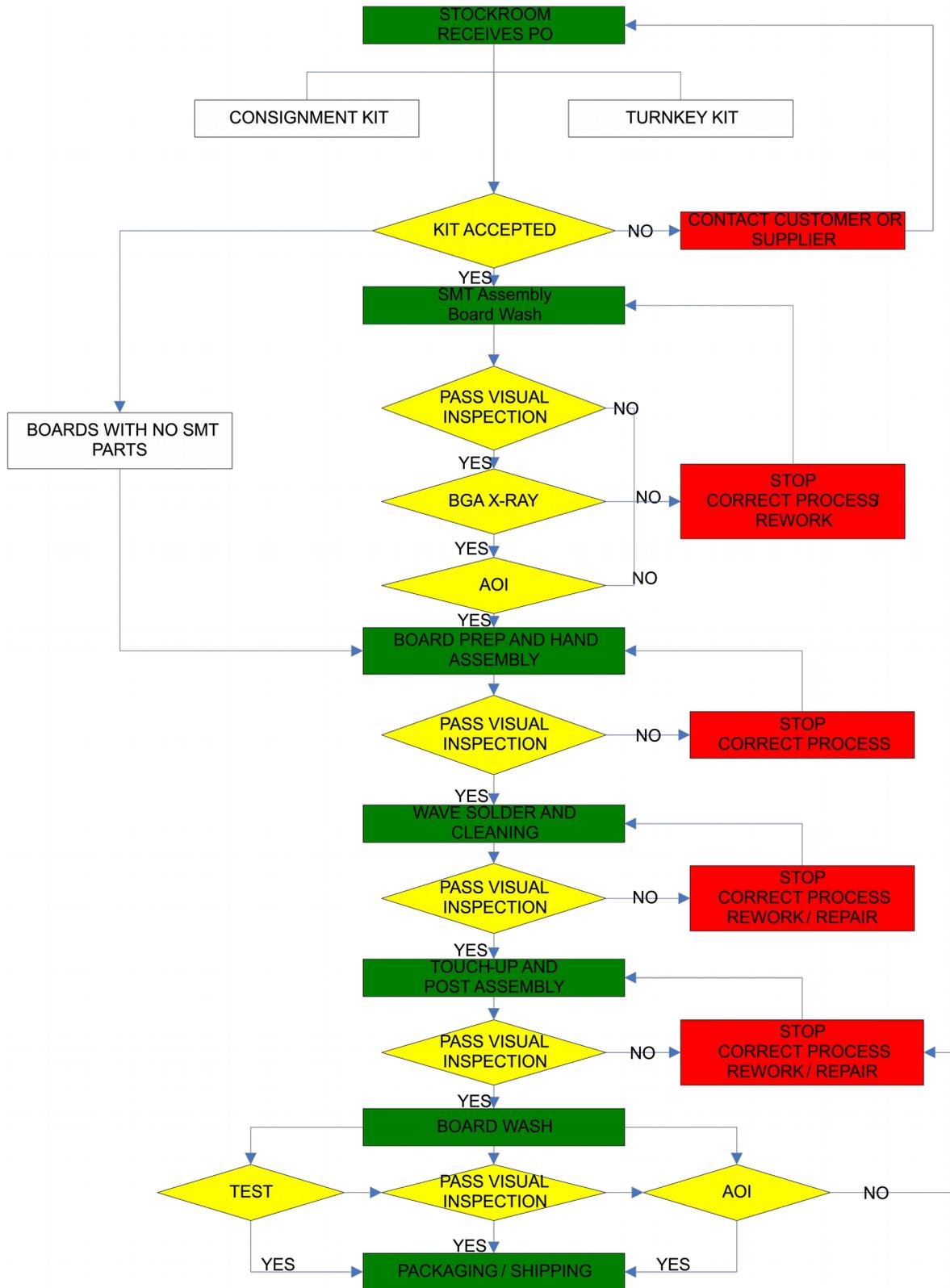
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V. REQUEST FOR QUOTATION / RE-ORDER FLOW CHART







VII. CONFLICT MINERALS STATEMENT

May 2, 2013

Proxy Manufacturing Inc.
55 Chase Street
Methuen, MA 01844
Tel: (978) 687-3138
www.proxyinc.com

As a valued partner, Proxy Manufacturing is aware of the impact of the Conflict Minerals provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act, HR 4173, Section 1502 ("Conflict Minerals Act") and the subsequent annual disclosure requirements to the Securities and Exchange Commission (SEC) that many of our customers will face beginning in 2014.

Proxy Manufacturing will not knowingly (directly or indirectly) support any groups (armed or otherwise) using forced labor practices and/or committing human rights violations in the known "covered countries" as defined by the SEC and/or U.S. Department of State.

Proxy Manufacturing is working closely with its suppliers and distributors to ensure that none of the declared "Conflict Minerals" that may be used in its manufacturing processes originates from "Conflict Mines" in the Democratic Republic of the Congo ("DRC") or any of the other "covered countries" that are defined by the SEC in the "Conflict Minerals Rule" (Angola, Burundi, Central African Republic, the Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda and Zambia).

"Conflict Minerals" are defined in the "Conflict Minerals Rule" as Cassiterite (Tin), Columbite-tantalite (Tantalum), Wolframite (Tungsten) and Gold.

Though several of our suppliers are participating members of the Conflict-Free Tin Initiative (CFTI) and do base their conflict minerals procurement practices using the Organization for Cooperation and Development's (OCED) Five Step Framework for Risk Based Due Diligence in the Minerals Supply Chain, unfortunately at this time Proxy cannot verify with 100% certainty the origin of all "Conflict Minerals" used in its suppliers products. Proxy Manufacturing will undertake reasonable due diligence within its supply chain to assure that materials used in its manufacturing processes are only procured from reputable suppliers with documented Conflict Minerals Policies who adhere to the Electronic Industry Citizenship Coalition (EICC) Conflict Free Smelter Program.

Sincerely,
Shawn D. Foy
President



VIII. Counterfeit Parts Requirements

Counterfeit Parts Requirements

Supplier represents and warrants that only new and authentic materials, components, and parts ("Parts") are to be delivered to Proxy Manufacturing, Inc. Supplier shall only purchase Parts directly from an Original Equipment Manufacturer (OEM), an Original Component Manufacturer (OCM), or an Authorized Distributor of an OEM or OCM. An "Authorized Distributor" is a distributor with which the OEM or OCM has a current contractual agreement to stock repackage, sell, and distribute the product lines of such OEM or OCM. Supplier shall, upon Proxy Manufacturing, Inc.'s request, provide to Proxy Manufacturing, Inc. documentation that authenticates traceability of the Parts to the applicable OEM or OCM. Under no circumstance shall any used, refurbished, or reclaimed Parts be delivered to Proxy Manufacturing, Inc. Supplier shall maintain a counterfeit (non-authentic) risk mitigation program internally and with its suppliers using SAE AS5553 as a guide.

The procurement of Parts from sources other than an OEM, an OCM or an Authorized Distributor of an OEM or an OCM by Supplier is not authorized or permitted unless first approved in writing by Proxy Manufacturing, Inc.

Prior to any such approval in writing by Proxy Manufacturing, Inc., the Supplier shall present to Proxy Manufacturing, Inc. complete and compelling support for its request to procure Parts from sources other than an OEM, an OCM, or an Authorized Distributor of an OEM or OCM. Such support shall include:

- *Results of authentication test and analysis that have been conducted on the Parts,*
- *Traceability with identification of all supply chain intermediaries wherever such traceability exists,*
- *Disclosure of the end source of supply with certification (date code, lot code and serial number),*
- *Reasoning for such procurement.*

If Supplier becomes aware or suspects that any Parts furnished to Proxy Manufacturing, Inc. are not authentic and traceable to the OEM or OCM, Supplier shall immediately report this to Proxy Manufacturing, Inc. in writing. In such event, Supplier shall replace, at Suppliers' sole expense, such Parts with authentic Parts that conform to the requirements of this purchase order (contract). Supplier shall be liable for all costs related to the replacement of the Parts and any testing or validation necessitated by the installation of the authentic Parts after the non-authentic Parts have been replaced. The remedies contained herein are in addition to any other remedies Proxy Manufacturing, Inc. may have at law, equity, or under other provisions of this purchase order (contract).

Supplier's obligation to substantiate authenticity shall survive acceptance of and payment for Parts delivered under this purchase order (contract).

Supplier shall flow the requirements of this clause to its subcontractors and suppliers at any tier for the performance of this purchase order (contract).

Note: Definitions of aforementioned terms can be found in SAE AS5553; Section 3 "Terms and Definitions".



IX PROXY OPERATING PROCEDURES

OP-000	QUALITY MANUAL
OP-001	ESD POLICY
OP-002	SMT ASSEMBLY PROCESS
OP-003	STOCK ROOM KIT AUDITING
OP-004	KIT PREPARATION PROCESS
OP-005	MANUAL ASSEMBLY PROCESS
OP-006	CUSTOMER MATERIAL DEVIATION PROCESS
OP-007	TOUCH UP/POST-SOLDER TOUCH UP
OP-008	CORRECTIVE / PREVENTATIVE ACTION
OP-009	PRINTEK II SCREEN PRINTER
OP-010	DELTA C WAVE SOLDER MACHINE
OP-011	YES TECH X-RAY IMAGING SYSTEM
OP-012	SRT REWORK SYSTEM
OP-013	V-TEK PC-250 SMD PARTS COUNTER
OP-014	SOLDER PASTE/EPOXY STORAGE AND HANDLING
OP-015	PROCESS FOR ORDERING SMT STENCILS
OP-016	SMART SONIC STENCIL CLEANER
OP-017	TREK-TRITON AQUEOUS IN-LINE CLEANER
OP-018	DOCUMENTATION CONTROL
OP-019	HEPCO 1500-1 RADIAL LEAD CUTTING MACHINE
OP-020	HEPCO 7900 LF UNIVERSAL DIP LEAD FORMER
OP-021	DATA-PAQ PROFILER OPERATION
OP-022	TRANSITIONING OF NEW CUSTOMERS
OP-023	CONCEPTRONICS FREEDOM 2000 REWORK STATION
OP-024	AIR-VAC PCB RM15 SOLDER & REWORK STATION
OP-025	CUSTOMER DOCUMENTATION REQUIREMENTS



OP-026	O1AMEF TP/SC4 CUTTING & PRE-FORMING MACHINE
OP-027	MIRTEC MV-2HTL AOI MACHINE
OP-028	CARPENTER MODEL 97 COMPU-STRIP MACHINE
OP-029	OK INDUSTRIES SMT-6000 SERIES SYSTEM
OP-030	OK INDUSTRIES JEM FORCED CONVECTION REFLOW OVEN
OP-031	LCT MODEL LCT16 ELECTRONIC COUNTING SCALE
OP-032	IMPULSE HEAT SEALER
OP-033	Q CORPORATION LEAD-O-MATIC II LEAD TRIM SYSTEM
OP-034	INTERNAL QUALITY AUDIT
OP-035	MANAGEMENT REVIEW PROCEDURE
OP-036	INTERNAL TRAINING
OP-037	NO LEAD (RoHS) PROCEDURE
OP-038	MSDS & TIME SENSITIVE PROCESS
OP-039	PURCHASING PROCESS & MATERIAL VERIFICATION
OP-040	CALIBRATION PROCEDURE
OP-041	NON-CONFORMING PRODUCT PROCEDURE
OP-042	CONTROL OF SHELF-LIFE MATERIALS PROCEDURE
OP-043	CONFORMAL COAT PROCEDURE
OP-044	FOREIGN OBJECT DEBRIS (FOD) PROCEDURE



1.0 QUALITY MANAGEMENT SYSTEM

Proxy Manufacturing, Inc. has developed and implemented a strict quality system that all employees and products must adhere to in order to attain continued success as a company.

1.1 Quality Policy

A quality policy has been developed and implemented by Management that identifies quality system goals, objectives and commitment to meet customer expectations. This quality policy has been communicated to all employees and is maintained as the highest priority within the company. The responsibility, authority and interrelation of personnel who manage, perform and verify work affecting quality has been defined and documented in both quality system documentation and job descriptions, particularly for personnel who need the organizational freedom and authority to:

Initiate action to prevent nonconformities relating to product, process and quality system.

Identify and record any problems relating to the product, process and quality system.

Initiate, recommend or provide solutions through designated channels. Verify the implementation of solutions.

Control further processing, delivery or installation of non-conforming product until the deficiency or unsatisfactory condition has been corrected.

1.2 DOCUMENTATION REQUIREMENTS

The Quality System Documentation consists of five levels; the Company Policy (level one), the Quality Policies Manual (level two), Quality Procedures (level three) Work Instructions (level four) and Records (level five).

LEVEL I **Company Policy** - A documented Policy Statement

LEVEL II **Quality Policies Manual** - The quality Policies Manual establishes requirements and guidelines for the overall Quality System objectives. These requirements and guidelines are applicable to the operations at Proxy Manufacturing, Inc.

LEVEL III **Quality Procedures** – The Quality Operating Procedures Manual is a collection of Standard Operating Procedures (SOP's), which are documented in conformance with, and support of the Quality Policies Manual's requirements and guidelines. The Quality Operating Procedures Manual details the implementation of requirements and guidelines for the operation. (All Procedures are



placed on the server for access by employees at the computer terminals in their respective areas).

LEVEL IV **Work Instructions** – Work Instructions are documented as necessary to support each applicable Quality Procedure. They detail specific quality or inspection information and specific instructions for performance of individual tasks.

LEVEL V **Records** – Completed Forms provide the objective evidence of compliance.

1.3 **Quality Manual**

The President of Proxy Manufacturing, Inc., delegates the responsibility for the preparation, distribution and the maintenance of the Quality Policies Manual to the *Quality Manager*.

Assigned holders of the Quality Policies Manual are responsible for maintaining controlled copies and for the communication/training required by most recent revisions.

Initial Review/Approval – The *Quality Manager*, *Operations Manager*, and the President approve the Quality Policies Manual and the Quality Policy.

Review/Approval of Revisions – Revisions to the Quality Policies Manual are subject to the same review and approval process as the original.

Revisions are subject to the following:

- a) Manuals are controlled by revision Levels
- b) Revision levels are assigned in numeric order, starting with “A0” for the original issue and increasing by one with each revision
- c) The Revision History Sheet is also revised to incorporate identification of the changed section/page and to document the revision status of the manual

Change Identification – Where practical, revision to sections is indicated by using an italic font

Record of Changes – The Quality Department maintains a history of revisions.



Controlled/Uncontrolled Copies:

- a) Controlled copy is placed on the Proxy server and is accessed by company personnel at all computer terminals; if a copy is printed the document now becomes an uncontrolled document
- b) Serial numbers of copies downgraded from controlled to uncontrolled are not reused
- c) Only controlled copies of the Quality Manual are distributed and used by Proxy Manufacturing, Inc., personnel
- d) Uncontrolled copies are not maintained with subsequent revisions and are not issued to personnel

Revision Distribution:

- a) The *Quality Manager* or his assigned trained designee revises all copies of the Quality Manual and distributes as required

It is the responsibility of the Operations Manager, and *Quality Manager*, to implement and maintain the Quality System defined in the Quality Manual.

The *Quality Manager* is responsible for the issuance and control of the Quality Manual.

Manuals are either controlled or uncontrolled issues. Proxy Manufacturing, Inc., personnel use only controlled copies unless otherwise authorized.

1.4 Document Approvals and Issues

Documents are reviewed for accuracy by authorized personnel prior to use. This is done to prevent the use of invalid and/or obsolete documents. This control ensures that the pertinent issues of appropriate documents are available at all locations where operations essential to the effective functioning of the quality system are performed. Invalid and/or obsolete documents are promptly removed from all points of issue or use, or otherwise assured against unintended use. Any obsolete documents retained for legal and/or knowledge purposes are suitably identified.

1.5 Control of Quality Records

Proxy Manufacturing, Inc. has established means for identification, collection, access, filing, storage, maintenance and disposal of quality records. Quality records are maintained to demonstrate conformance to specified requirements and the effective operation of the quality system. All quality records are legible, and are stored and retained in such a way that they are readily retrievable.



1.6 Record Retention

Per the Quality Records Retention Log FM-052 all records are retained for a minimum of 10yrs. Records maybe stored in Soft or Hard Copy formats. The CEO/CFO or their assigned agent will have the authority to destroy any company Records.

1.7 Document Changes

Changes to Documentation are reviewed and approved by Engineering, Management, and or written approval from the customer.

1.8 Contract Reviews

Before submission of a tender, or acceptance of a contract or order, the CEO, CFO or their assigned agent, must review the contract or order. This review ensures that all written contracts adequately define and document the specified requirements of the customer.

2.0 MANAGEMENT RESPONSIBILITY

In order to maintain the desired level of professionalism and fairness to all, Proxy Manufacturing, Inc.'s management responsibilities are as follows:

2.1 Scope

Proxy Manufacturing Incorporated is an electronic contract assembly manufacturer, specializing in Surface Mount, Thru-Hole, and Electro-Mechanical assembly technologies. Proxy has implemented a Quality Program that is continuously maintained for effectiveness and process improvements in accordance with the requirements of IPC 610 / *J-STD-001* and ISO 9001-2008.

2.2 Responsibilities and Authority

The CEO will have the ultimate decision authority over all employees. *The VP of Operations, Operations Manager, Quality Manager*, as well as *Process Engineering*, are responsible for documenting, updating and implementing manufacturing processes and process procedures. Each area of manufacturing is assigned a group leader to assign work and control material flow. The overall material flow and Work Order assignments will be the responsibility of the *Operations Manager*. The Manufacturing Group Leaders will report to the *Operations Manager*. Office Management including: Accounts Payable/Accounts Receivable, Purchasing and general relations will be the responsibility of the CFO. Quality and following process procedures is the responsibility of all Proxy Employees.



2.3 Management Representative

The *Operations / Quality Manager* at Proxy Manufacturing, Inc. is the Management Representative and is responsible for reporting the progress and implementation of the provisions outlined in the Quality Manual in accordance with the international standard ISO 9001:2008.

The Management Representative is responsible for assuring that the Quality Management System is implemented at all levels of the organization. The Management Representative is a member of the management team with the necessary authority required to accomplish implementation. The Management Representative also acts as the liaison for the third party auditors.

2.4 Internal Communication

Proxy Manufacturing Inc.'s, President ensures that appropriate communication processes are established within the organization. A Production/Quality meeting is conducted *at least two days a week or as deemed necessary*, with all Group leaders, *VP of Operations, Operations Manager, Purchasing Manager, Quality Manager, Program Manager, Documentation control, and CEO*, regarding the effectiveness of the Quality Management System. In addition to this meeting a Management Meeting is conducted as needed regarding the effectiveness of the Quality Management System.

2.5 Management Review

The President, *VP of Operations, Operations Manager, Quality Manager, CFO*, with company staff conduct a Management Review of the Quality System at least once a year but as often as the President / CEO feels necessary, to assess its continued suitability, effectiveness and future direction.

Records of Management Reviews – The *Quality Manager*, or an assigned designee records/documents a summary, (minutes), of each management review.

Management Review Process Inputs – The President, *VP of Operations, Operations Manager, Quality Manager, CFO*, with company staff review all appropriate Quality Management System documentation.

Management Review Process Outputs – The President, *VP of Operations, Operations Manager, Quality Manager, CFO*, with company staff provide an outline of the Quality Management System objectives as a result of the Management Review.

2.6 Verification Resources and Personnel

Proxy uses visual inspection during each process of each department to ensure customer conformity. It's Proxy's philosophy to emphasize quality on each individual



employee and processes, and not be dependent on a Quality Assurance department. Group leaders and other trained/qualified personnel will verify the product conforms to customer requirements prior to the product continuing on to its next step in the process.

3.0 RESOURCE MANAGEMENT

Proxy Manufacturing, Inc. establishes implements and maintains documented procedures for identifying training needs and for ensuring that personnel performing activities affecting quality are adequately trained, qualified and certified per established requirements or standards.

3.1 Competence, Awareness and Training

Department Managers and their assigned trained designees are responsible for defining personnel qualifications and ensuring that the appropriate personnel are trained and aware of their role affecting product quality. Personnel performing specific assigned tasks are qualified on the basis of appropriate education, training and/or experience, as required. Accordingly, the Human Resources Manager is responsible for maintaining personnel training records.

3.2 Continuous Improvement

Proxy Manufacturing, Inc. strives to continuously improve in quality, service, delivery, cost and pricing. These improvements extend back to the customers products.

3.3 Quality and Productivity Improvements

Proxy Manufacturing, Inc. identifies opportunities for quality and productivity improvements and implements appropriate improvement projects.

3.4 Techniques for Continuous Improvement

Proxy Manufacturing, Inc. demonstrates the knowledge of appropriate continuous improvement measures and methodologies to constantly improve on customer quality.

3.5 Facilities, Equipment and Process Planning Effectiveness

Proxy Manufacturing, Inc. uses a multi-disciplinary approach to develop facilities, processes and equipment in conjunction with the quality planning process. Plant layouts minimize material travel and handling, facilitate synchronous material flow and maximize value added use of floor space. Methods are developed for evaluating the effectiveness of existing operations and processes, considering overall work plan, appropriate automation, ergonomics and human factors, operator and line balance.

3.6 Equipment Maintenance



Proxy Manufacturing, Inc. has an Equipment Maintenance program in place to ensure equipment is meeting all manufacturers' specifications when running our customers products.

4.0 PRODUCT REALIZATION

4.1 Control Of Customer Supplied Property

Proxy Manufacturing, Inc. has established and maintains documented procedures for the control of verification, storage and maintenance of customer supplied product. Any such product that is received damaged or unsuitable for use is recorded and reported back to the customer. Customer owned tools and equipment are marked so that the ownership of each item is visually apparent.

4.2 Product Identification and Traceability

Documented procedures have been established and maintained for identifying the work in process for all stages of production and up to delivery of customers' product. Proxy Manufacturing, Inc. supports requests for unique identification of individual products, made by customers, and agreed upon during negotiations.

4.3 Process Control

Proxy Manufacturing, Inc. has identified the production processes that directly affect quality and ensures that these processes are carried out under controlled conditions.

4.3.1 Controlled Conditions

Documented procedures defining the manner of production

Use of suitable production equipment, and a suitable working environment

Factory maintained in a state of order, and cleanliness

Contingency plans to reasonably protect the customers supplied goods in the event of emergency, excluding natural disaster and acts of God

Compliance with reference standards, codes, and quality plans and or documented procedures

Monitoring and control of certain process parameters

Approval of processes and equipment as deemed appropriate

Criteria for workmanship, which is stipulated in the clearest practical manner

Providing appropriate resources for machine and equipment maintenance, and development of an effective planned total preventive maintenance system

4.3.2 Preventative Maintenance System



A procedure that describes planned maintenance activities
Scheduled maintenance activities
Predictive maintenance records
Availability of replacement parts for key manufacturing equipment
Documenting, evaluating and improving maintenance objectives

4.4 Process Responsibility

Proxy Manufacturing, Inc. Engineering personnel or trained designee are responsible for the qualification and acceptance of all process operations, as well as production equipment.

4.5 Monitoring and Operator Instructions

Proxy Manufacturing, Inc. develops documented process monitoring and operator instructions for all employees having responsibilities for operations of processes. Essential information will be derived from the instructions.

4.5.1 Instruction Information

Part name and number or family
Required tools, chemistries, and equipment
Material identification and disposition instructions
SPC requirements
Relevant engineering and manufacturing standards, inspection instructions
Reaction plan
Revision Date and approvals
Visual aids
Setup instructions

4.6 Maintaining Process Control

Proxy Manufacturing, Inc. maintains or exceeds process performance as required by the customer. Proxy Manufacturing, Inc. ensures that all processes implemented are strictly adhered to including acceptance criteria and reaction plans when the acceptance criteria are not met. Proxy Manufacturing, Inc. initiates the appropriate reaction plan for unacceptable process characteristics.

4.7 Verification of Job Set-Ups



Group leaders verify Job setups whenever a setup is performed. Work instructions are available for setup personnel.

4.8 Inspection and Testing

Proxy Manufacturing, Inc. has established procedures for inspection and testing of its processes. An acceptance criterion for all processes is zero defects.

4.8.1 Incoming Inspection

Proxy Manufacturing, Inc. ensures that all incoming customer kits, as well as Turnkey products such as Fabs and or parts are not processed to the floor, until it has been inspected or verified as a valid kit or part, per all controlled customer or in-house documentation.

4.8.2 First Article Inspection

Proxy Manufacturing, Inc. requires a First Article Inspection of all products in all assembly areas, by qualified personnel. The inspection is to ensure that all parts and assemblies are completed according to Proxy, and its customers' specifications (BOMs, prints, and special instructions), IPC Workmanship Standards and customers specified workmanship standards.

4.8.3 In-Process Inspection

Proxy Manufacturing, Inc. inspects the product as required by the controlled documented procedures to complete the evidence of conformance.

4.8.4 Final Inspection

Final Inspection: Providing customers with on time delivery of product which meets or exceeds customer's and Proxy's requirements. Ensuring inspection of product using one or a combination of the following methods: visual, AOI, and functional test. Using customer's drawings, data and documentation to ensure customers' products meet IPC610 and/or JSTDS. Verification of incoming process inspecting, in process inspection and first articles have been performed using "Product Traveler" ensuring applicable paperwork has been signed. Performing *visual* inspection; recording of passed and failed product; stamping of product; ensuring final inspection had been performed.

4.9 Customer Related Processes



4.9.1 Determination of Requirements Related to the Product

Proxy Manufacturing, Inc. determines the following:

- a) The requirements specified by the customer, including the requirements for delivery and post-delivery activities
- b) The requirements not stated by the customer but necessary for specified or intended use, where such is known
- c) Statutory and Regulatory requirements related to the product
- d) Any additional requirements determined by the organization

4.9.2 Review of Requirements Related to the Product

Proxy Manufacturing, Inc. reviews the requirements related to the product prior to contracting with a customer and ensures that:

- a) Product requirements are defined
- b) Contract or order requirements differing from those previously expressed are resolved
- c) The defined requirements can be achieved

Proxy Manufacturing, Inc. maintains records of the results of reviews and actions arising from the review

Proxy Manufacturing, Inc. confirms product requirements with the customer when no documented statement is provided and ensures that relevant documents are amended and relevant personnel are notified of any changes or modifications

4.10 Customer Communication

Proxy Manufacturing, Inc. develops and implements effective methods of communicating with customers in relation to product information, enquiries, contracts or order handling, including amendments and customer feedback, including customer complaints.

4.11 Purchasing



Proxy Manufacturing, Inc. has developed, documented and implemented a system to insure that material, products and services purchased from suppliers conform to specified requirements.

Proxy has also established with its customers a Counterfeit Parts Mitigation Program to assure that all parts purchased from our suppliers are OEM parts.

The Purchasing Manager is responsible for Purchasing procedures and all relevant Quality System documentation, such as records.

4.12 Control Of Monitoring and Measuring Devices

Proxy Manufacturing, Inc. determines the monitoring and measurement requirements to control, calibrate, and maintain inspection, measuring and test equipment used to demonstrate the conformance of product to the specified requirements.

Proxy Manufacturing, Inc. implements and maintains documented calibration systems to ensure adequate control of inspection, measuring and test equipment and to assess the validity of previous results when the equipment is found not to conform to requirements. Calibration records are maintained for each item of inspection, measuring and test equipment to provide a documented calibration history.

In rare cases an extension of the scheduled calibration due date on instruments may extend up to 30 days after the scheduled due date. This extension must be authorized by the Quality Manager.

When computer software is used in the monitoring and measurement of specified requirements, the ability of the computer software to satisfy the intended application shall be confirmed prior to initial use and reconfirmed as necessary.

4.13 Preservation of Product

Proxy Manufacturing, Inc. has established policies for handling, storage, packaging, and delivery of products.

4.13.1 Handling

Proxy Manufacturing, Inc. provides methods of handling product that prevents damage. Those methods being: Specialized Totes, Board Carriers, ESD Protective Bags, and Training of all employees on Board Handling.

4.13.2 Storage



Proxy Manufacturing, Inc. uses designated storage areas and shelving to store product and prevent any damage to product.

4.13.3 Inventory

Proxy Manufacturing, Inc. uses an inventory management system to optimize inventory turn over time, assure stock rotation and minimize inventory levels.

4.13.4 Packaging

Proxy Manufacturing, Inc. controls packing, packaging and marking processes to the extent necessary to ensure conformance to specified requirements. Proxy Manufacturing, Inc. complies with all unique customer packaging standards and guidelines. All material shipped are labeled according to customer requirements.

4.13.5 Delivery

Proxy Manufacturing, Inc. strives for 100% on time delivery of shipments to its customers. If 100% on time deliveries are not met, a review of the process involving that delivery is initiated and then if required corrective action would be implemented to improve delivery performance.

4.14 Design Control

Design Control - This element of the standard does not apply to the current activities taking place at Proxy Manufacturing, Inc. If in the future this service becomes part of Proxy Manufacturing, Inc.'s Quality System, the necessary Quality System Documentation will be implemented to control these activities.

5.0 MEASUREMENT, ANALYSIS, AND IMPROVEMENT

5.1 Customer Satisfaction

Proxy Manufacturing, Inc., determines methods for monitoring, measuring and improving customer satisfaction. This measurement of process performance shall include the analysis of customer complaints.

5.2 Internal Audits

Proxy Manufacturing, Inc. establishes implements and maintains documented procedures for a comprehensive system of internal audits at planned intervals to verify the effectiveness of the quality Management System.

The Quality *Manager* is responsible for administering the Internal Audit system per documented procedures. The Quality *Manager* develops a schedule for internal audits



according to Quality Management System requirements and conducts unscheduled audits (internal and external) when reasons for such audits exist.

Audits are conducted utilizing documented checklists and/or audit plans. Audit results are documented in audit reports per established procedures. Copies of all audit reports including completed corrective action requests are forward to management of the audited area and maintained by the *Quality Manager*.

Audit personnel are qualified per training and do not have direct responsibility for or control of the area to be audited.

Management personnel responsible for the audited area determine and implement timely corrective actions for any reported nonconformance and follow-up activities include verification of the corrective actions taken and reporting of the results.

5.3 Monitoring and Measurement of Processes

Proxy Manufacturing, Inc. implements and maintains comprehensive methods for monitoring and measuring the Quality Management System processes, which demonstrate the ability of the processes to achieve planned results.

When planned results are not achieved, corrective actions are implemented and monitored for effectiveness.

5.4 Control of Non-conforming Material

Proxy Manufacturing, Inc. has established procedures to ensure that nonconforming material is prevented from unintended use. This control provides for the identification, documentation, evaluation, segregation, disposition of non-conforming material and notification to the areas concerned.

5.5 Corrective and Preventative Action

Proxy Manufacturing, Inc. has established procedures for implementing corrective and preventive action. Any corrective or preventive action taken to eliminate the causes of actual or potential nonconformities is to a degree appropriate to the magnitude of the problem. Proxy Manufacturing, Inc. implements and records any changes to documented procedures resulting from corrective and preventive action.

5.6 Analyses and Use of Company Level Data

Proxy Manufacturing, Inc., monitors trends in our overall quality by utilizing customer feedback, Proxy and Customer supplied quality performance data, and customer supplied on time delivery.

5.7 Customer Feedback



Customer Satisfaction is always our goal at Proxy Manufacturing, Inc. and the most integral reason for our success. *A Customer Satisfaction Form is used on a quarterly basis to solicit information from our customers.* This feedback largely promotes our continuous process improvement efforts by helping us understand customer needs.

6.0 FOD PROTECTION PROGRAM

Proxy Manufacturing has established an IPC certified training program to ensure the safety, quality, and reliability of its customer's products by providing the requirements to prevent, detect, and eliminate Foreign Objects.

7.0 WORKMANSHIP STANDARDS

Proxy does not have its own workmanship standards due to the nature of its intent. Many of our customers have workmanship standards of their own which are designed for special purposes and specific requirements. General guidelines for unspecified standards will be ANSI/IPC/J-STD Workmanship Standards. Proxy Manufacturing, Inc. will cater to other standards providing they are agreed upon previous to the commencement of the contract and a clear copy of the standards is received.

8.0 ESD POLICY

ESD is a growing concern throughout the Electronics Industry as well as Proxy Manufacturing, Inc. Proxy has developed a procedure to reduce the possibility of Electrical Static Discharge in the manufacturing areas.

9.0 REVISION HISTORY



<u>DATE</u>	<u>REV #</u>	<u>SECTION</u>	<u>REASON</u>
08/14/1995	A0	All	Inception
02/04/2004	A1	All	Re-written
07/30/2004	A2	All	Re-formatted
08/02/2004	A3	All	Revised / Add
10/25/2004	A4	All	Re-formatted
05/03/2005	A5	All	Re-formatted
07/27/2005	A6	All	Re-formatted
06/05/2006	A7	Italicized Sections	Re-written to meet ISO Standards
06/08/2006	A8	Organization Chart	Re-formatted
07/20/2006	A9	All	Revised / Add & Remove
07/21/2008	A10	Many	Add & Remove
11/19/2008	A11	8:4	Re-written
01/11/2010	A12	All	Replaced Logo / Add & Remove
01/20/2010	A13	All	Revised / Add & Remove (Glossary)
08/27/2010	A14	Section 1.1/1.3	Update reference of ISO Standard to 9001-2008
04/08/2011	A15	Organization chart	Updated to reflect Current Business Plan
07/07/2011	A15		Review for effectiveness No changes required.

9.0 REVISION HISTORY (Continued)



09/06/2011	A16	Sections; 1.2,1.3,1.4, 1.5,2.4,4.1,17.2	Title Changes
06/22/2012	B7	All	Correct Revision
06/05/2013	B8	Organization Chart / All	Updates/Titles
06/06/2014	B9	Organization Chart	Update
07/24/2014	C0	Add VII, Sec. 12.1, Sec. 16.0	Add OP List, update Sec. 12.1, 16.0
01/07/2015	C1	All	To align the Quality Manual more to the ISO Standard
12/02/2015	C2	All	To align the Quality Manual more to the ISO Standard

10.0 APPROVALS



PROXY
MANUFACTURING, INC

S. Pakalane
Originator

12-02-2015
Date

S. Pakalane
Operations Manager

12-02-2015
Date

S. Pakalane
Quality Manager

12-02-2015
Date

Shawn Hy
President

12-02-2015
Date