

Quality Assurance for Purchase orders /Subcontractors

1. General

- 1.1. This document will be under the responsibility of Arazim Purchasing Department and will be noted on each purchase order directed to the company's subcontractors or suppliers.
- 1.2. This document is an undivided part of the Purchase orders and should be distributed to all suppliers and subcontractors or alternatively all purchase orders or demands must direct to this document.
- 1.3. The objective of this document is to set a uniform high-quality level for all items, services and products received from Arazim suppliers and contractors.

2. Relevant Regulations: AS9100 or ISO9001

3. Definitions: The term "supplier" or "subcontractor" in this procedure applies to all Product Manufactures, service, assembly, components or Raw material providers – Value enhancement

4. General Requirements:

- 4.1. Proof of compliance to Standard Regulations framework – ISO9001 or AS9100 certification or inhouse quality audit by company QA Manager.
- 4.2. Compliance to EC/2002/95 RoHS regulations, initial statement on Supplier questioner QA F 301-2 (in event that a review has been performed by Arazim Representative) and a repeated statement/ specific to each CoC certificate.
- 4.3. Arazim Ltd. and/or any of its clients or statutory authorities related to the Purchase order may perform an audit or have free access to all of the manufacturer production facilities at manufacturer grounds or their subcontractor grounds upon pre coordination, including access to all documentation connected to the specific purchase order (production documentation, supplies, order tracking and handling).
- 4.4. The supplier will inform of any changes in his plant.

- 4.5. The order/job will not be transferred to any subcontractor without the approval of Arazim in writing.
- 4.6. The Supplier will forward all company quality assurance requirements to their subcontractors concerning the specific PO and will verify their fulfilment upon receipt of goods from the subcontractor.
- 4.7. Irregular Product – Any irregular product that does not conform to the order requirements, specifications, drawings etc. will be forwarded to MRB board and will be reported immediately to the company QA manager. Same applies to irregular items from subcontractors of the supplier.
- 4.8. The supplier will inform Arazim of any changes of product/service or work frame that effect the Purchase order for approval.
- 4.9. Subcontractors engaging in special procedures for the supplier who received the Purchase order will be approved by Arazim – as a condition for their engagement.

5. General Documentation Requirements:

- 5.1. Subcontractors working with Bulk projects will provide a Final Test Report.
- 5.2. The subcontractor/supplier will provide clear readable compliance certificates for the product/component/raw material (COC,COT,COA)
- 5.3. The subcontractor/supplier will provide a COT for special procedures such as: coating, thermal treatment, painting, welding, molding, etc. COT will include evidence of proper procedure according to quality demands and relevant specifications.
- 5.4. Certification for irregularity approval, discrepancies and changes.
- 5.5. Fraud usage prevention managing according to AS6274A/1 regulation.
- 5.6. **AS9103 standard and regulations will apply for Key features according to the drawings and will provide information on the CPK measures.**
- 5.7. **Documentation Requirements for First Item (FAI):** - If indicated on the Purchase order, Shall be executed according to AS9102 regulations.

5.8. Define the use of only new material (no excess materials) by the subcontractor/supplier. Performing services and procedures only from suppliers/subcontractors that have an approved Quality Assurance system according to AS9100 or ISO9001.

5.9. Monitoring and consistency of products and material for destruction.

6. Measuring, Sampling and attributes

6.1. In lack of specific requirements on the Purchase Order, The following measures shall be used for final testing:

According to: Squelia AQL=2.5% (C=0)

6.2. When discovering a deviation for one of the parameters, A complete testing must be performed for this parameter 100%, and reprocess or request approval for deviation via MRB form.

6.3. Arazim Ltd. holds the right to escalate the sampling level in cases that the quality level is not satisfactory.

6.4. Screw thread holes after coatings will be resampled/tested according to the specific requirements.

6.5. Precise measurements (over 0.01) will be resampled/tested according to the specific requirements.

7. Marking, Packaging & Transportation

7.1. The items must be supplied in clear, neat packaging including labeling that indicates the Part number, product/component description, qty & name of the supplier/contractor.

7.2. The supplier will produce, pack & transport the parts in a way that ensures prevention of any damage to the quality of the items including mechanical damage, corrosion, electrostatic protection or foreign object protection (FOB).

7.3. The supplier shall verify packing instruction on the Purchase order. In lack of packaging instructions, the supplier shall pack to the best of his knowledge as long as the packaging protects the products from any mechanical or electrostatic damage.

8. Corrective Actions:

8.1. In case of detection of deviation in procedure or product at Arazim premises or one of the end clients, A deviation/irregularity notice will be sent to the supplier. A Non-Conformance Report shall be filled out properly and will include proof of corrective action that will prevent the mentioned deviation un the future. The Report shall be returned to Arazim within 10 days.

9. Preserving Quality Assurance Records:

9.1. In lack of any other requirement or demand, the Subcontractor/Supplier shall save all Production & Quality Assurance documentation for 7 years Min. These documents will be made available to Arazim at any point or time upon request. After this time period, the Subcontractor/Supplier will ask for approval to shred the documents.

9.2. Quality Assurance Records include certificates for raw material, hardware, tests FAI, ATP, COC ,ESS, Set up Reports, Final Processing monitoring.

9.3. Special Procedures – Approval & Certification

9.4. Subcontractors for Special Procedures, will be certifies according to Customary Standard specifications. Special Procedure will include monitored actions and significant variables and will be documented. The Supplier/Subcontractor will certify his employees accordingly and will provide proof of these certifications.

9.5. Special Procedures: Spray and design, heat design, chemical digestion, thermal treatment, Surface & Coating treatment, Electrochemical Processing, Casting, Welding, Soldering, Non Destruction (NDT), Electrical Continuity Test.

9.6. Foreign Object Prevention (FOD): The Supplier/Subcontractor shall provide completely clean parts. Without any particles, dust or wire scraps.

Supplier/Subcontractor Declaration:

I confirm that I have read and completely understood all of the Purchase /Service Order requirements and demands including all of its supplements and I commit to all of the mentioned above.

Company Name + stamp

Company Representative