NDS PRODUCTS, INC.

QUALITY/PROCEDURE MANUAL

ISO 9001:2015

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Revision X January 3, 2023

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This Quality/Procedure Manual (QPM) contains only the pages issued by this facility. The Management Team is responsible for processing all authorized changes, and for inserting amendment pages into official copies. The Management Team has authority to remove and dispose of obsolete pages to prevent their unintentional usage. This QPM is a controlled copy document and shall be used as the final authority regarding the latest revision level and amendment status for the QPM. The Management Team maintains the Master Copy (MC) of this manual.

SECTION	DATE	PAGE(S)	DESCRIPTION/REVISION LEVEL	APPROVAL
All	06/10/2002	All	Initial Manual Release after implementation; Rev. Level A	N. Smith
0.4	08/06/2002	1	Added Assembly Tech. Assistant to chart; Rev. Level B	N. Smith
Appendix A	08/06/2002	2	Re-numbered Sections in Flow Chart; Rev. Level B	N. Smith
0.2	08/06/2002	1	Added Copy numbers 6 and 7 Rev. Level B	N. Smith
0.1	08/06/2002	1	Added 08/06/2002 Revisions Rev. Level B	N. Smith
4	11/07/2002	All	Added to 4.3.4 sentence after second and fifth billet. Rev. Level B	N. Smith
QP04-01	11/07/2002	All	Added 4.3.6 and 4.3.7. Rev. Level B	N. Smith
QP08-02	11/07/2002	All	Added Note to 4.3.2 and 4.3.3. Rev. Level B	N. Smith
7	11/07/2002	All	Added Note to 7.3.10, Added Circuit Board Batch Number and log 3QF10-40 to 2nd paragraph in 7.3.11 Rev. B	N. Smith
0.1	11/07/2002	1	Added 11/07/2002 to Revisions. Revision Level C.	N. Smith
Qp08-01	05/15/2003	All	4.3.1 Added Activities, processes & procedures, removed elements Rev. B	N. Smith
7	05/15/2003	All	7.3.5 Stds. Have not changes since 1989 Rev. C	N. Smith
0.1	05/15/2003	All	Added 05/15/03 Revisions. Rev. D	N. Smith
0.3	10/14/2003	All	Added to first paragraph (and providing professional, unbiased and accurate calibrations that meet our customers expectations. Rev. B	N. Smith
0.4	10/14/2003	All	Added Executive Secretary. Rev. C	N. Smith
0.5	10/14/2003	All	Added to Permissible Exclusions "therefore NDS Products, Inc. excludes Section 7.3 of ISO 9001:2000 system in its entirety. Rev. B	N. Smith
7	10/14/2003	All	Removed under Validation of Processes for Production and Service Provision: Every thing after Note. Rev. D	N. Smith
QP04-02	10/14/2003	All	Changed 4.3.5 Removed blue or black ink only and White out or any type of correction fluid or tape is not permitted. Added: Calibration certificates may be corrected and reproduced by adding a "A" after the cert. Number and stapling the older cert. To it. Rev. B	N. Smith
QP08-03	10/14/2003	All	Added to 4.3.5 last sentence "put on probation or"	N. Smith

			Rev. B	
0.1	10/14/2003	All	Added all 10/14/03 Revisions. Rev. E	N. Smith
QP04-02	10-25-03	All	4.3.2 added "During the annual Management Review meeting all records will be reviewed for disposal and documented in 3QF01-01. All sensitive records containing personal data, credit card numbers, bank account numbers, EIN numbers, and any other sensitive information shall be shredded and disposed of in our regular garbage along with all non sensitive records. Rev. C	N. Smith
Section 0.4	10-25-03	All	Added lines of communication all go to MR Rev. D	N. Smith
Appendix A	10-27-03	All	Redesigned Chart Rev. C	N. Smith
Section 0.1	10-27-03	All	Added All Oct. 25 & 27th revisions Rev. F	N. Smith
Section 0.5	09-01-04	All	Added under **Permissible Exclusions** "NDS Products, Inc. excludes validation of process since all products are tested and certified prior to leaving NDS Products, Inc. facility." Rev. C	N. Smith
Section 7	09-01-04	All	Added under 7.3.9 **Validation of Processes for Production and Service Provision:** "All Products are tested and certified prior to leaving NDS Products, Inc. facility." Rev. E	N. Smith
Section 0.1	09-01-04	All	Added all September 01, 2004 entries. Rev. G	N. Smith
Section 0.5	10-25-04	All	Added "7.5.2" to last sentence. Rev. D	N. Smith
Section 7	10-25-04	All	Added under 7.3.9 **Validation of Processes for Production and Service Provisions:** last sentence "therefore NDS Products, Inc. excludes 7.5.2". Rev. F	N. Smith
QP04-01	10-25-04	All	Added under 4.3.12 **Registration mark and marks of accreditation agencies:** end of first sentence " per PJR's PRO 3 procedure". Rev. C	N. Smith
Section 0.1	10-25-04	All	Added all Oct. 25, 2004 Entries. Rev. H	N. Smith
QP08-01	07-11-06	All	4.3.3 Replaced "Internal Audit Checklist" with Process Audit Worksheet". Rev. C	N. Smith
Section 7	07-12-06	All	7.3.6 added to second paragraph "Each purchase is documented on this form and is maintained as an on going evaluation" added to fourth paragraph " and issue a Vendor / Subcontractor Evaluation Survey (3QF06-02)" Rev. G	N. Smith
Section 0.1	07-12-06	All	Added all July 2006 entries. Rev. I	N. Smith
Section 0.3	07-15-07	All	Removed ISO 17025:1999 Rev. C	N. Smith
Section 0.1	07-15-07	All	Added all July 15, 2007 entries Rev. J	N. Smith
Section 0.2	04-06-09	All	Removed controlled copies for accounting, assembly technicians. Rev. C	N. Smith
Section 0.3	04-06-09	All	Upgrade to ISO 9001:2008. Rev. D	N. Smith
Section 0.5	04-06-09	All	Upgrade to ISO 9001:2008. Rev. E	N. Smith
Section 4	04-06-09	All	Upgrade to ISO 9001:2008. Rev. C, added weekly meetings/disposition of records.(4.3.5)	N. Smith
Section 5	04-06-09	All	Upgrade to ISO 9001:2008. Rev. B., replaced Accounting Manager with Office Manager.	N. Smith
Section 6	04-06-09	All	Upgrade to ISO 9001:2008. Rev. B.	N. Smith
Section 7	04-06-09	All	Upgrade to ISO 9001:2008. Rev. H., replaced Accounting Manager with Office Manager.	N. Smith
Section 8	04-06-09	All	Upgrade to ISO 9001:2008. Rev. B.	N. Smith
Cover	04-06-09	All	Upgrade to ISO 9001:2008	N. Smith
Section 0.4	04-06-09	All	Changed Accounting Manager to Office Manager. Rev.	N. Smith

			E.	
QP04-01	04-06-09	All	Changed Accounting Manager to Office Mgr. Rev. D	N. Smith
QP04-02	04-06-09	All	Changed Accounting Manager to Office Manager. Rev. D, reworded 4.3.3 "all records are legible, readily identifiable and retrievable".	N. Smith
QP08-01	04-06-09	All	Updated wording in 4.3.4 to ISO 9001:2008 language. Rev. D	N. Smith
QP08-02	04-06-09	2	Added new language for new bullet of 8.3 d). 4.3.7- Rev. C	N. Smith
QP08-03	04-06-09	All	Upgraded to ISO 9001:2008 wording for 8.5.2 Rev. C	N. Smith
QP08-04	04-06-09	All	Upgraded to ISO 9001:2008 wording for 8.5.3 Rev. B	N. Smith
Section 0.1	04-06-09	All	Added all April 06, 2009 entries. Rev. K	N. Smith
Appendix A	07-08-11	2	Added "and / or direct" to paragraph 4. Rev. D	N. Smith
Section 7	07-08-11	3	Added "One time purchases do not need to complete the survey. If the subcontractor / vendor does not return the survey, it is permissible to call and go over the survey verbally and record the contact spoken too." To 7.3.6 2nd paragraph, Rev. I	N. Smith
Section 0.1	07-08-11	All	Added all July 08, 2011 entries. Rev. L	N. Smith
Section 7	05-01-12	2	Added "Calibration Technician" 7.3.3 can initial work orders. Rev. J	N. Smith
Section 0.1	05-01-12	All	Added all May, 01, 2012 Entries. Rev. M	N. Smith
Section 0.4	07-13-12	All	Added "Calibration Technician" Rev. F	N. Smith
Section 6	07-13-12	2	Added to 6.3.3 "New employees shall be trained initially by 3QF18-02 New Employee Orientation Check List." Rev. C	N. Smith
Section 0.1	07-13-12	All	Added all July 13, 2012 entries. Rev. N	N. Smith
Appendix A	01-06-16	Page 1	Added Color code Rev. E	N. Smith
Section 0.1	01-06-16	Page 3	Added January 06, 2016 entry Rev. O	N. Smith
Section 0.2	03-03-16	All	Added Copy 6 Vice President (Manufacturing) Jared Smith Rev. D	N. Smith
Section 01	03-03-16	Page 3	Added March 03, 2016 entry Rev. P	N. Smith
Section 0.0	04-07-16	All	Updated to ISO 9001:2015 Rev. B	N. Smith
Section 0.3	04-07-16	All	Updated to ISO 9001:2015 Rev. E	N. Smith
Section 0.4	04-07-16	All	Added VP Manufacturing, Secretary/Office manager combined Rev. G	N. Smith
Section 0.5	04-07-16	All	Updated to ISO 9001:2015 Rev. F	N. Smith
Section 4	04-07-16	All	Updated to ISO 9001:2015 Rev. D	N. Smith
Section 5	04-07-16	All	Updated to ISO 9001:2015 Rev. C	N. Smith
Section 6	04-07-16	All	Updated to ISO 9001:2015 Rev. D	N. Smith
Section 7	04-07-16	All	Updated to ISO 9001:2015 Rev. D	N. Smith
Section 8	04-07-16	All	Updated to ISO 9001:2015 Rev. K	N. Smith
Section 9	04-07-16	All	Updated to ISO 9001:2015 Rev. C	N. Smith
Section 10	04-07-16	All	Updated to ISO 9001:2015 Rev. C	N. Smith
QP07-01	04-07-16	All	Updated to ISO 9001:2015 Rev. E	N. Smith
QP08-01	04-07-16	All	Updated to ISO 9001:2015 Rev. D	N. Smith
QP09-01	04-07-16	All	Updated to ISO 9001:2015 Rev. E	N. Smith
QP10-01	04-07-16	All	Updated to ISO 9001:2015 Rev. D	N. Smith
QP-10-02	04-07-16	All	Updated to ISO 9001:2015 Rev. C	N. Smith
Appendix A	04-07-16	All	Updated to ISO 9001:2015 Rev. G	N. Smith
Section 0.1	04-07-16	All	Updated to ISO 9001:2015 Rev. Q and all 04-07-16	N. Smith

Section 0.2	06-09-17	Copy 2-6	Deleted copies 3, 4, 5, 6 changed copy 2 to: NDS on line: ndsproducts.com. Rev. E	N. Smith
Section 0.3	06-09-17	First paragraph	Changed to: "The scope of NDS Products' quality system encompasses the manufacturing, repair, design and calibration of radiation detection instrumentation. Our strategic direction and commitment is the same as it has been throughout our history, to understand and meet the quality needs and expectations of all our customers and provide professional, unbiased and accurate calibrations that meet their expectations." Rev. F	N. Smith
Section 4	06-09-17	Changed 4.1	Added to 4.1 "Our strategic direction is to attract customers by offering the most reliable and cost effective products and services anywhere. To ensure that we are aligned with our strategy NDS will take into account relevant internal and external factors: Eternal issues: A) The economic health of the energy industry. B) Any changes in the requirements of the NRC and Texas State health Dept. – NRC. C) Any changes in any other requirements from regulatory and statutory authorities. Internal issues: D) The need to control and reduce costs to remain competitive. E) The need to cross-train our personnel so we have redundancy and flexibility. F) The need to improve our web site and other sales tools to be as user-friendly as possible.". Rev. E	N. Smith
Section 4	06-09-17	Changed 4.3.2	◆ Added expectations "Customers of our products-Measured via customer feedback such as complaints, score cards and surveys. Expectations: Price, reliability and value. ◆ Shareholders-Measured via the return on investment and profitability. Expectations: Profitability and growth. ◆ Regulatory agencies (NRC and State)-Measured as part of the reporting of compliance. Expectations: Compliance and reporting. ◆ Employees-Monitored via employee review results. Expectations: to ensure a safe and pleasant work environment. ◆ Suppliers to NDS will be measured via order tracking. Expectations: Beneficial relationships." Rev. E	N. Smith
Section 0.1	06-09-2017	All	Added all 06-09-17 entries	N. Smith

Appendix A	07-18-2017	All	Added "Issues / Concerns Interested Parties, remove Control of Documents / Records and added Documented Information" remove Preventive Action and added Risk / Opportunities" Rev. H	N Smith
Section 0.1	07-18-2017	All	Made 07-18-2017 changes. Rev. S	N. Smith
Manual	06-29-2018	All	Changed to Rev. T	N. Smith
Section 0.0	06-29-2018	QP10-01	Added Risks/Opportunities to title	N. Smith
QP10-01	06-29-2018	All	Added Risk / Opportunities Through out	N. Smith
Appendix A	06-29-2018	All	Added analysis of data in quality department box.Rev. I	N. Smith
Section 0.1	06-29-2018	All	Added all 06-29-18 entries Rev T	N. Smith
Manual	07-10-2018	All	Changed to Rev U	N. Smith
Section 7	07-10-2018	7.3.15	Removed "The Master Document List / Records is used to define the documents that are controlled, the method of control and the time the documents are retained if retained" Replaced with "QP07-01 is used to define the documents that are controlled, the method of control and the time these documents are retained, if retained." Rev E	N. Smith
Section 0.1	07-10-2018	All	Added all 07-10-2018 entries Rev U	N. Smith
Manual	07-27-2018	All	Changed to Rev V	J. Smith
QP09-01	07-27-2018	4.3.3	Changed to NDS will document any findings of 3QF17-01 Rev F	J. Smith
Section 0.1	07-27-2018	All	Added all 07-27-2018 entries Rev V	J. Smith
QP09-01	12-16-2021	4.3.4	Corrected QP08-03 to QP10-01 Rev G	J. Smith
Manual	12-15-2021	Amend Record	Changed to Rev W	J. Smith
Section 0.5	1-3.2023	All	Added Outsourced Processes	J. Smith
Appendix A	1-3-2023	All	Added Outsourced Processes	J. Smith
Manual	1-3-2021	Amend Record	Changed to Rev X	J. Smith

Copy No.	Copy Custodian
1	President
2	NDS on line: ndsproducts.com

The scope of NDS Products' quality system encompasses the manufacturing, repair, design and calibration of radiation detection instrumentation. Our strategic direction and commitment is the same as it has been throughout our history, to understand and meet the quality needs and expectations of all our customers and provide professional, unbiased and accurate calibrations that meet their expectations.

We believe that quality and reliability are the responsibility of every employee, people doing things right the first time. We are committed to never ending improvement. We have established a comprehensive quality assurance system, which allows our company to meet all of the requirements of the ISO 9001:2015 quality management system standard. Our quality assurance system concentrates on providing:

- Defect-free products to our customers;
- A goal of 100% on-time delivery; and
- Continual improvement in all aspects of our quality assurance system.

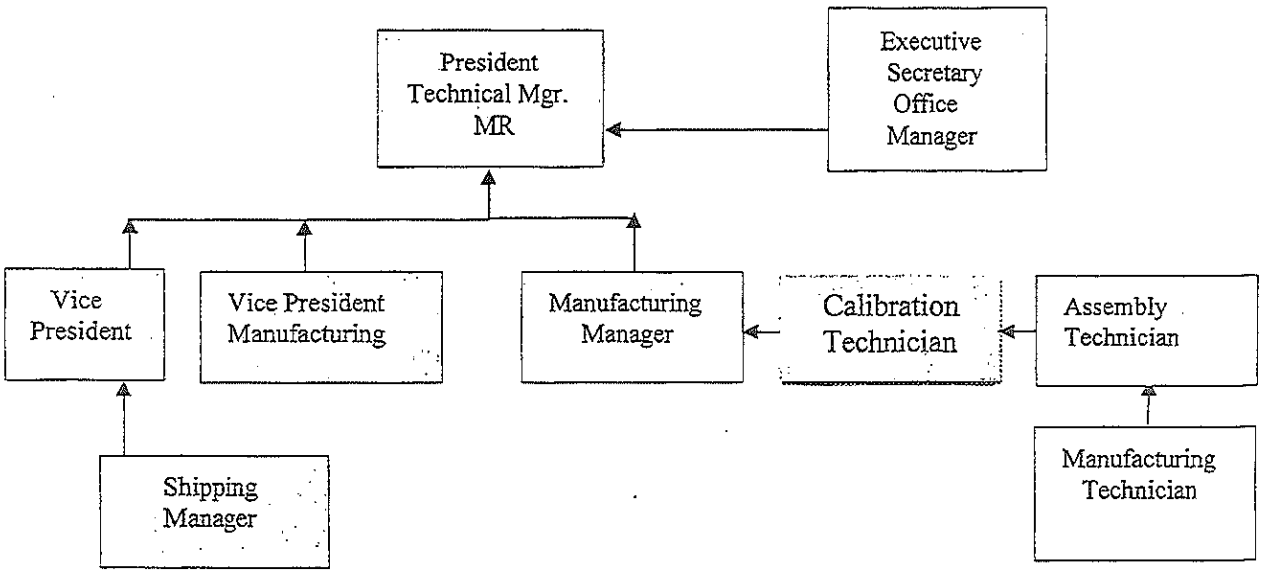
The entire organization will adhere to the spirit and intent of this quality policy, as well as the directives of this quality manual and its' supporting quality system documentation. We will continue to aggressively strive to ensure that customer satisfaction is achieved at all times and in all things.

Noel Smith, President

June 09, 2017
Date

Reviewed by	Jared Smith, VP Manufacturing	Revision Level	F
Approved by	Noel Smith, President	Revision Date	June 09, 2017

NDS Products, Inc.	Section 0.4 ORGANIZATIONAL CHART	Page 1 of 1



Reviewed by	Jared Smith, VP Manufacturing	Revision Level	G
Approved by	Noel Smith, President	Revision Date	April 07, 2016

Introduction

This Quality/Procedure Manual describes the policies and company-wide control system of the **NDS Products, Inc.** quality management system. The quality management system described in this manual meets the requirements of the ISO 9001: 2015 international standard. Procedures have been created and implemented that also meet the requirements of this international standard.

Scope of Registration:

The design, manufacture, repair and calibration of radiation detection equipment and repair and calibration of film densitometers and sensitometers.

Interaction of Processes:

The interaction of processes is defined as follows and in the Flow Chart (Appendix A):

a) Input: Customer Requirements and Expectations.

b) Process:
- Management Responsibility;
- Resource Management;
- Product/Service Realization;
- Measurement, Analysis, and Improvement
- Outsourced Processes (calibrations of IM & TE/purchasing of manufactured goods)
- Internal audits.

c) Output: Customer Satisfaction

Nonapplicable:

NDS Products, Inc. does not take any exemptions from ISO-9001:2015.

Context of the Organization

4.1 Scope and Purpose

The quality system described in this section of the QPM conforms to the requirements of the standard: Clause 4—Context of the Organization and Its Context. Our strategic direction is to attract customers by offering the most reliable and cost effective products and services anywhere.

To ensure that we are aligned with our strategy NDS will take into account relevant internal and external factors:
Eternal issues:

A) The economic health of the energy industry.
B) Any changes in the requirements of the NRC and Texas State health Dept. – NRC.
C) Any changes in any other requirements from regulatory and statutory authorities.

Internal issues:

D) The need to control and reduce costs to remain competitive.
E) The need to cross-train our personnel so we have redundancy and flexibility.
F) The need to improve our web site and other sales tools to be as user-friendly as possible.

4.2 Responsibility and Authority (R&A)

The R&A for overall responsibility of defining the context the organization, determining the scope of the QMS and defining interested parties is shared by top management, including the President and Vice Presidents. Employees have the responsibility to executing requirements, as assigned by top management.

4.3 Quality Management System Requirements

General Requirements:

4.3.1 A quality management system has been established, documented, implemented, maintained and is continually improved in accordance with the requirements of ISO 9001:2015. To implement the system, the organization has:

- determined the strategic direction of the organization
- implemented monitoring of internal and external issues
- defined the interested parties and the expectations and needs of these parties

- defined the scope of the quality management system, giving consideration to external and internal issues, requirements of interested parties, the products and services provided.
- processes needed for the quality management system and their application throughout the organization;
- Implemented actions necessary to achieve planned results and continual improvement of these processes.

These processes are managed in accordance with ISO 9001:2015.

Understanding the needs and expectations of interested parties:

4.3.2 NDS has established, documented and implemented a Quality Management System (QMS) in accordance with the requirements of ISO 9001:2015. Management review is utilized as a vehicle to determine strategic direction of the business and determine internal and external issues that pertain to interested parties.

Interested, relevant parties to our business include:

- Customers of our products-Measured via customer feedback such as complaints, score cards and surveys. Expectations: Price, reliability and value.
- Shareholders-Measured via the return on investment and profitability. Expectations: Profitability and growth.
- Regulatory agencies (NRC and State)-Measured as part of the reporting of compliance. Expectations: Compliance and reporting.
- Employees-Monitored via employee review results. Expectations: to ensure a safe and pleasant work environment.
- Suppliers to NDS will be measured via order tracking. Expectations: Beneficial relationships.

Scope of the QMS

The scope of the QMS includes:

- A documented Quality Policy and Quality Objectives, which is shared with all internal interested parties, and any external interested parties on request.

- The scope statement for the QMS is found in section 0.5 of this manual and on our web site: ndsproducts.com.

Quality Management System and its processes

The processes of the quality management system are defined in the Interaction of Processes in Appendix A.

Factors considered in determining the effectiveness of the processes and the interaction, include:

- Determining the inputs required and the outputs expected from the processes.
- Determining the sequence and interaction of the processes.
- Determining and applying the criteria and methods (including monitoring, measurements and related performance indicators) needed to ensure the effective operation and control of the processes.
- Determining the resources needed for effective execution of processes and ensuring availability of these resources.
- Assigning responsibilities and authorities for processes.
- Addressing the risks and opportunities as shown in ISO 9001:2015- 6.1.
- Evaluating our processes and implementing any changes needed to ensure that they are achieving their intended results.
- Driving continual improvement.

Documented information about the overall effectiveness of the quality management system is retained in the form of Key Performance Indicators (KPI) results, Management Review documented information, and other appropriate quality management system documented information, such as internal audit results.

LEADERSHIP

5.1 Scope and Purpose

The quality system described in this section of the QPM conforms to the requirements of the standard: Clause 5—Leadership. This policy defines the corporate commitment to quality.

5.2 Responsibility and Authority (R&A)

The R&A for overall administration of quality management system activities is shared by top management, including the President and Vice Presidents. Employees have the responsibility to complete quality activities in support of the quality policy, quality system documentation and customer requirements. Employees have been granted authority in order to meet specified requirements.

5.3 Quality System Requirements

Leadership:

5.3.1 The President and Vice Presidents have been actively involved in implementing the quality management system (QMS), and are accountable for the results of the effectiveness of the QMS.

The Management Team (President and Vice Presidents) has provided the vision and strategic direction for the growth of the QMS, and established quality objectives and the quality policy.

To continue to provide leadership and show commitment to the improvement of the QMS, management will do the following:

- Communicate the importance of meeting customer, statutory, and regulatory requirements
- Establish quality objectives and the quality policy and are compatible with the context of the strategic direction of the company
- Ensuring that the QMS is fully integrated into the organization's overall business processes
- Promoting risk based thinking in all aspects of the business
- Communicating the importance of effective quality management and of

conformity to QMS requirements

- Ensuring that the QMS achieves the intended results
- Engaging, directing and supporting personnel to contribute to the effectiveness of the QMS
- Promoting improvement activities
- Supporting other relevant management roles to demonstrate their leadership as it applies to their areas of responsibilities.

Customer Focus:

5.3.2 The Management Team has ensured that customer requirements are determined, understood and consistently met with the aim of enhancing customer satisfaction, and meeting statutory and regulatory requirements. This goal is accomplished via measuring the quality objectives and responding to all customer concerns and feedback.

The Management Team also ensures that risk and opportunities that can effect conformity of products and services are determined and addressed, and that the focus on customer satisfaction is maintained.

Quality Policy:

5.3.3 Top management has ensured that the quality policy is:

- established and appropriate to the context of the organization and supports the strategic direction;
- includes a commitment to comply with requirements and continually improve the effectiveness of the quality management system;
- provides a framework for establishing and reviewing quality objectives;
- available to relevant interested parties and maintained as documented information;
- communicated and understood within the organization through meetings and posting it throughout the facility; and,
- reviewed for continuing suitability during Management Review Meetings.

Organizational Roles, responsibilities and Authorities:

5.3.6 Top management has ensured that the responsibilities, authorities and their interrelation are defined and communicated within the organization in this QPM, the organizational chart, and in job descriptions.

The Management Team members ensure that:

- the quality management system conforms to the requirements of the ISO 9001:2015 standard;
- processes are delivering the intended output;
- reporting on the performance of the quality management system and on opportunities for improvement is performed;
- promoting customer focus throughout the facility;
- reporting takes place on the performance of the quality management system, and note needed improvements;
- awareness of customer requirements throughout the organization is promoted;
- The integrity of the QMS is maintained when changes to the QMS are planned and implemented. 9.3 Management review.

Planning

6.1 Scope and Purpose

The quality system described in this section of the QPM conforms to the requirements of the standard: Clause 6—Planning. This policy defines the corporate commitment to quality.

6.2 Responsibility and Authority (R&A)

The R&A for overall administration of quality management system activities is shared by top management, including the President/MR and Vice Presidents. Employees have the responsibility to complete quality activities in support of the quality policy, quality system documentation and customer requirements. Employees have been granted authority in order to meet specified requirements.

6.3 Planning

Actions to address risks and opportunities:

6.3.1 In planning and developing the quality management system, the organization has given due consideration to understanding our company and its context, and in identifying the interested parties, and their respective needs and expectations to properly identify risks and opportunities and to ensure that:

- The quality management system can achieve its intended result;
- Desirable effects are enhanced;
- Undesired effects are prevented or reduced;
- Improvement is achieved.

Actions to address identified risks are planned and integrated into the QMS, most notably in environmental and supplier control activities, and are proportionate with the severity of the identified risk.

The effectiveness of the actions taken to identify, and reduce risk, and to improve opportunities is reviewed as part of the Management Review Process.

Quality Objectives and planning to achieve them:

6.3.2 Quality objectives are developed at all relevant levels and represent the overall company processes. The quality objectives established are:

- Consistent with and support the Quality Policy;
- Measureable;
- Take into account applicable requirements;
- Are relevant to conformity of products and services and enhance customer satisfaction;
- Are monitored as part of the Management Review Process;
- Are communicated via all hands meetings and postings;
- Are updated, whenever appropriate;
- Maintained as documented information.

When planning the methodology for achieving quality objectives, the consideration is given to the following:

- What actions are to be taken.
- What resources are required.
- Who is responsible.
- When the actions will be.

Planning of Changes:

6.3.3 When changes are made to the quality management system, the changes are carried out in a planned manner. Consideration is given to:
organization has:

- The purpose of the changes and their potential consequences.
- The integrity of the quality management system.
- The availability of resources.
- The allocation or reallocation of responsibilities and authorities.
- Documented information to be retained.

Resource Management

7.1 Scope and Purpose

The quality system described in this section of the QPM conforms to the requirements of the standard: Clause 7—Support. This policy defines the corporate commitment to quality.

7.2 Responsibility and Authority (R&A)

The R&A for overall administration of quality management system activities is shared by top management, including the President and Vice Presidents. Employees have the responsibility to complete quality activities in support of the quality policy, quality system documentation and customer requirements. Employees have been granted authority in order to meet specified requirements.

7.3 Support

Resources:

7.3.1 Resources needs have given consideration to:

- the capabilities of, and constraints on, existing internal resources;
- what needs are to be obtained from external providers.

People:

7.3.2 The organization has determined and provided the personnel necessary for the operation and control of company processes.

Infrastructure:

7.3.3 The infrastructure needed to achieve conformity to product requirements has been determined, provided and maintained.

Infrastructure examples may include, but not be limited to:

- buildings, workspace and associated utilities;
- process equipment, both hardware and software; and,
- supporting services such as transport, communication or information systems.

Environment for the operation of processes:

7.3.5 The Management Team has determined, provided and maintains the environment necessary for the operation of company processes in a manner that achieves ongoing conformity of products and services

Suitable environmental considerations include factors such as:

- Social (maintaining a non-discriminatory, calm and non-confrontational atmosphere) via the use of the requirements given in the employee handbook;
- Psychological (reducing stress, burnout protection, emotionally supportive/protective);
- Physical (temperature, heat, humidity, light, airflow, hygiene, noise);
- Equipment, including hardware and software.

These needs may differ substantially depending on the nature of the products and services provided, and the general working environment.

Monitoring and Measuring Resources:

7.3.6 The Management Team has determined and provided the resources needed to ensure valid and reliable results when monitoring or measuring is used to verify conformity of products and services provided. The resources provided are suitable for the specific monitoring and measuring activity being undertaken, and are maintained to ensure that the equipment used remains fit for the intended purpose.

Appropriate documented information is retained in the form of the Master List of IM and TE, Approved Suppliers List, and Calibration Certifications.

Measurement Traceability:

7.3.7 Measurement results validity is maintained using the following methodology:

- Measurement equipment is calibrated or verified at specified intervals, or prior to use against measurement standards that are traceable to NIST, or when no such standards exist, the basis for calibration is retained as documented information.
- Measuring and Test Equipment is uniquely identified to determine calibration status.
- Measuring equipment is safeguarded from adjustments, damage or deterioration that could potentially invalidate calibration status and subsequent measurement results.
- In cases where measurement results may have been adversely effected, the impact of the issue is evaluated, and appropriate action is taken, including notifying customers of nonconforming product shipped, if applicable.

Organizational Knowledge:

7.3.8 The Management Team has determined the knowledge necessary for the operation of processes and to achieve conformity of products and services.

This knowledge is maintained and made available to the extent necessary to ensure ongoing conformity of products and services.

When addressing changing needs and trends, current knowledge is considered and determination made as to what additional knowledge is needed and how to acquire it.

Organizational knowledge is knowledge specific to our company. It is generally gained by experiences in, and is information that is used and shared to achieve our objectives.

Organizational knowledge is gained from internal or external sources.

Internal sources include intellectual property, knowledge gained from experience, lessons learned from failures and successes, capturing and sharing undocumented knowledge, and updates.

External sources may include standards, knowledge gained from the use of consultants, academia, conferences, gathering knowledge from customers and gathering knowledge from external providers.

Competence:

7.3.9 The organization has:

- determined the necessary competence for personnel performing work affecting conformity to product requirements. Employees are assessed when hired and then annually during employee review;
- where applicable, provided training or taken other action to achieve the necessary competence and record the training on the Training Matrix form (3QF18-01). New employees shall be trained initially by 3QF18-02 "New Employee Orientation Check List";
- evaluated the effectiveness of the actions taken and identify training needs on the Training Assessment form (3QF18-03);
- ensured that its personnel are aware of the relevance and importance of their activities and how they contribute to the achievement of the quality objectives; and,
- retain appropriate documented information of education, training, skills and experience in job descriptions and the Verification of Training Statement for employees who have been "grand-fathered" into the system as of May 29, 2000.

Awareness:

7.3.10 Training activities include emphasizing that all employees are aware of:

- The quality policy.
- Relevant quality objectives.
- How they contribute to the effectiveness of the quality management system, including benefits of improved performance.
- The implications of not conforming to these requirements.

Communication:

7.3.11 Determination has been made concerning internal and external communication relevant to our quality management system. Determination includes:

- What information to communicate.
- When to communicate.

- Who to communicate to.
- How to communicate.
- Who communicates.

Documented Information:

7.3.12 General

The QMS includes the following elements:

- Documented information required by ISO 9001:2015
- Documented information deemed necessary by NDS for the effective operation of the QMS. The information deemed necessary is based on our capabilities of and constraints on existing internal resources.

7.3.13 Creating and updating

When creating and updating documented information, consideration is given to the following:

- The identification and description of the document changed (e.g. document title, date, author, and item reference number, if applicable) are identified and retained as documented information.
- Formatting concerns, such as language, software, etc.
- Media (e.g. paper, electronic)
- Documents are reviewed and approved for suitability and adequacy by responsible authorities.

7.3.14 Control of Documented Information

Documented information required by the ISO 9001:2015 standard and those determined to be necessary by the Management Team are controlled to ensure that:

- The documents are available and suitable for use where and when needed.
- The documents are adequately protected (e.g. from loss of confidentiality, improper use, or loss of integrity).

7.3.15 Control of documented information addresses the following:

- Distribution, access, retrieval and use;
- Storage and preservation, including preserving legibility;
- Control of revisions;
- Retention and disposition.

Documents of external origin determined to be necessary for the planning and operation of the QMS are identified and controlled.

Documented information retained shall be stored in a climate controlled room in President / Vice Presidents office or at 111 Anderson building upstairs room, business office and filling cabinets outside of business office

Documented information retained as evidence of conformity is protected from unintended alteration.

QP07-01 is used to define the documents that are controlled, the method of control and the time these documents are retained, if retained.

People:

7.3.2 Personnel performing work affecting conformity to product requirements are competent on the basis of appropriate education, training, skills and experience as described in job descriptions.

Competence, Training and Awareness:

7.3.3 The organization has:

- determined the necessary competence for personnel performing work affecting conformity to product requirements. Employees are assessed when hired and then annually during employee review;
- where applicable, provided training or taken other action to achieve the necessary competence and record the training on the Training Matrix form (3QF18-01). New employees shall be trained initially by 3QF18-02 "New Employee Orientation Check List";

- evaluated the effectiveness of the actions taken and identify training needs on the Training Assessment form (3QF18-03);
- ensured that its personnel are aware of the relevance and importance of their activities and how they contribute to the achievement of the quality objectives; and,
- maintained appropriate records of education, training, skills and experience in job descriptions and the Verification of Training Statement for employees who have been "grand-fathered" into the system as of May 29, 2000.

7.4 Related and Support Documentation

Approved Supplier, Vendor and Contractor Master List (ML002)
Master List of IM and TE (ML005)
Job Descriptions (ML008)
Training Matrix (3QF18-01)
Training Assessment Form (3QF18-03)
Verification of Training Statement for employees who have been "grand-fathered" into the system as of May 29, 2000.
Management Review Agenda (3QF01-01)
New Employee Orientation Check List (3QF18-02)
Documented Information Procedure (QP07-01)
Master Document List (ML001)
QP07-01 Documented Information

Operation

8.1 Scope and Purpose

The quality system described in this section of the QPM conforms to the requirements of the standard: Clause 8—Operation. This policy defines the corporate commitment to quality.

8.2 Responsibility and Authority (R&A)

The R&A for overall administration of quality management system activities is shared by top management, including the President, Vice Presidents, Office Manager, Shipping Manager, and Manufacturing Manager. Employees have the responsibility to complete quality activities in support of the quality policy, quality system documentation and customer requirements. Employees have been granted authority in order to meet specified requirements.

8.3 Product Realization

Operational Planning and Control:

8.3.1 The processes needed for product/service realization are planned and developed in Weekly Production Meetings and Management Review, and are consistent with the requirements of the other processes of the quality management system. In planning product/service realization, the following has been determined, as appropriate:

- quality objectives and requirements for the product/service;
- the need to establish processes and documents, and to provide resources specific to the product;
- required verification, validation, monitoring, measurement, inspection and test activities specific to the product/service and the criteria for product/service acceptance;
- records needed to provide evidence that the realization processes and resulting product/service fulfill requirements; and,
- planning output is recorded on the Weekly Production Schedule.

Requirements for Products and Services:

8.3.2 NDS communicates with customers in relation to:

- Product Information;
- Enquiries, contracts and order handling, including changes and amendments;
- Customer Feedback, including customer complaints;
- Handling and controlling customer property;
- Establishing specific requirements for contingency, when relevant.

8.3.3 Determination of requirements related to the product

NDS determines customer requirements before acceptance of an order. Customer requirements include those:

- Requested by the customer;
- Statutory and regulatory requirements applicable to the product;
- Required for delivery and post-delivery activities;
- Not stated by the customer but necessary for specified use or known and intended use;
- Meeting customer claims for the products and services offered;
- Additional requirements determined by NDS

8.3.4 Review of the requirements for products and services

Documented reviews of customer requirements are conducted to ensure that customer and statutory and regulatory requirements can be attained, prior to committing to supply products and services to customers. These reviews include, at a minimum:

- Customer delivery and post-delivery requirements;
- Unstated requirements that are necessary for the intended use, when known;
- Internally specified requirements;
- Statuary and regulatory requirements applicable to the product;
- Any differences in requirements than those that were previously expressed.

Any differences in requirements that those previously expressed are resolved. In cases where no documented requirements are stated, the requirements are confirmed with the customer, prior to acceptance of orders.

8.3.5 Order Contract Review

Order/Contract review documented information is retained, as applicable. This retained information may be in the form or emails, contract amendments or other forms of communication, and includes, at a minimum:

- The results of the review;
- new or revised requirements.

8.3.6 Changes to requirements for products and services

Where product/service requirements are changed, it is ensured that relevant documents are amended and that relevant personnel are made aware of the changed requirements by requesting the changes in writing or requesting a new P.O. The President, Vice Presidents or Calibration Technician review the changes, initial it and attach the amendment to the original P.O.

Design and Development of Products and Services:

8.3.7 General

The organization has established, implemented and maintains a design and development process that is appropriate to ensure the subsequent provision of products and services.

8.3.8 Design and development planning

When determining the stages and control for design and development, the organization has given consideration to:

- The nature, duration and complexity of the design and development reviews;
- the required process stages, including applicable design and development reviews;
- the required design and development verification and validation activities;
- the responsibilities and authorities involved in the design and development process;
- the need for involvement of customers and users in the design and development process;
- the requirements for subsequent provision of products and services;
- the level of control expected for the design and development process by

customers and other relevant interested parties, including regulators.
- The documented information needed to demonstrate that design and development requirements have been made.

8.3.9 Design and development inputs

When gathering design inputs, consideration is given to:

- Functional and performance requirements;
- information derived from previous, similar design and development activities;
- statutory and regulatory requirements;
- standards or codes of that NDS has committed to implement;
- potential consequences of failure due to the nature of the product;

The inputs are ensured to be complete and unambiguous, to the greatest extent possible, any conflicting requirements are resolved, prior to beginning the design.

Documented information is retained on the applicable the Design Review Record (3QF10-52).

8.3.10 Design and development controls

NDS applies controls to the design and development process to ensure that:

- The results to be achieved are defined;
- reviews are conducted to evaluate the ability of the results of the design and development activities to meet the requirements;
- verification activities are conducted to ensure that the resulting products and services meet the requirements for the specified application or intended use;
- validation activities are conducted to ensure that the resulting products and services met the requirements for the specified application or intended use;
- any necessary actions are taken on problems determined during reviews or verifications and validation activities;
- documented information on design review activities is retained on the applicable Design Review Record (3QF10-52)

8.3.11 Design and development outputs

NDS ensures that design output:

- Meet the input requirements;
- are adequate for the subsequent processes for the provision of products and services;
- include, as appropriate, reference to monitoring and measuring requirements, and acceptance criteria;
- specify the characteristics of the products and services that are essential for their intended purpose and their safe and proper provision.

Documented information on design output is maintained in the form of product drawings, design specifications, BOMs and Design Review Records.

8.3.12 Design and development changes

NDS identifies, reviews and controls changes made to existing designs to the extent necessary to ensure that there is no adverse impact on conformity to requirements. Documented information is retained on:

- Design and development changes;
- the results of reviews;
- the authorization of the changes;
- the action taken to prevent adverse impacts and risks.

Documented information on design output is maintained in the form of product drawings, design specifications BOMs and Design Review Record.

Purchasing Process:

8.3.13 Purchasing processes are controlled to ensure purchased externally provided processes, products and services conform to specified purchase requirements. The type and extent of control is applied to suppliers and purchased product is dependent upon the effect of the purchased product on subsequent product/service realization or the final product/service.

Suppliers are evaluated and selected based on their ability to supply product in accordance with quality, pricing, availability, and delivery capabilities. Criteria for selection, evaluation and re-evaluation and any necessary actions arising from the evaluation are maintained by completing the Subcontractor/Vendor Approval form (3QF06-01). Each purchase is documented on this form and is maintained as an on

going evaluation. A subcontractor/vendor is considered "probationary" until approved by the President/MR or Vice President on the Subcontractor/Vendor Survey (3QF06-02). One time purchases do not need to complete the survey. If the subcontractor / vendor does not return the survey, it is permissible to call and go over the survey verbally and record the contact spoken too.

Subcontractors/Vendors used by NDS prior to May 29, 2000 are "grand-fathered". This status is indicated on the Approved List of Subcontractors/Vendors (ML002).

If at any point, a subcontractor/vendor fails to meet the above mentioned criteria, the President/MR or Vice President completes a Complaint/Corrective and Preventive Action form (3QF14-01) and issue a Vendor / Subcontractor Evaluation Survey (3QF06-02)

Purchasing Information:

8.3.14 The NDS Purchase Order (3QF06-04) describes the product to be purchased, including where appropriate:

- requirements for approval of product, procedures, processes, and equipment;
- requirements for qualification of personnel; and,
- quality management system requirements.

The adequacy of specified purchasing requirements prior to their communication to suppliers is ensured. The President, Vice President and/or Office Manager utilize the P.O. Ledger (3QF06-03) to track P.O. numbers. The Vice Presidents and/or the President/MR reviews and approves P.O.'s by signing them. Occasionally, it is necessary to include drawings and specifications with the P.O. to positively identify the product being ordered.

Verification of Purchased Product:

8.3.15 Inspection or other activities necessary for ensuring that purchased product meets specified purchase requirements are established and implemented by the President, Vice Presidents or Shipping Manager completing the Receiving Log (3QF10-01). The receiving ticket is matched to the P.O. and incoming material is visually inspected and counted against the packing slip. Where verification of purchased product is intended at suppliers' premises, including customer verification of such product, the verification activity and the method of product release are stated in the

Purchase Order as "verification of product required".

Production and Service Provision:

8.3.16 Production and services are planned and carried out under controlled conditions, including, as applicable:

- the availability of information (Work Order) that describes the characteristics of the product/service;
- the availability of work instructions (Lab Scope Binder and WI Binder);
- the use of suitable equipment (reference standards, equipment);
- the availability and use of monitoring and measuring equipment (IM&TE);
- the implementation of monitoring and measurement (inspection and testing); and,
- the implementation of product release, delivery and post-delivery activities.

Identification and Traceability:

8.3.17 Product is identified, where appropriate, by suitable means throughout product realization. The status of the product is identified with respect to measurement and monitoring requirements throughout product realization. Where traceability is a requirement, the unique identification of product and service is controlled and records are maintained.

Materials received by NDS are identified with a manufacturer part number, the description and/or quantity and entered in to the Receiving Log (3QF10-01). Product is identified through all stages of production on the In-Process Assembly/Inspection Checklist with circuit board batch number (3QF10-39), Circuit Board Batch Log (3QF10-40), and the Production Schedule (3QF09-01). After the final stages of production, the Instrument Serial Number Log (3QF08-01) or Probe Serial Number Log (3QF08-02) is used for identifying finished product.

Traceability is required for all radioactive materials per License L00991. Inventory is performed every 6 months and a Radioactive Material Transfer is completed for each shipment.

Property belonging to customers or external providers:

8.3.18 Care is exercised with customer property while it is under NDS' control or being used. If customer property is provided for use or incorporation into product/service, it will be identified, verified, protected and safeguarded. Any customer property that is lost, damaged, or otherwise found to be unsuitable for use is recorded and reported to the customers.

Customer property is identified on the Customer Repair/Calibration Receiving Log (3QF10-04) and moved to the appropriate area. Any incident of damage or loss to customer property is reported to the customer by the President/MR and recorded on an Invoice.

Preservation:

8.3.19 In order to maintain conformity to product requirements during internal processing and delivery to the intended destination the product is preserved. As applicable, preservation includes identification, handling, packaging, storage and protection. Preservation also applies to the constituent parts of a product.

The handling of materials at NDS is done by forklift, carts, and by hand. All forklift operators are properly trained and qualified so as to prevent damage. Product is stored in designated areas on numbered shelves and segregated by part number and location. Packaging requirements are identified in Work Instructions that are available to the appropriate personnel and items with a specific shelf life are kept in the stock room and rotated on a First-In/First-Out basis. Customer designated delivery methods or a commercial delivery company is used.

Post-delivery activities

8.3.20 When post-delivery activities are needed, the extent of the activities are determined by giving consideration to:

- Statutory and Regulatory requirements.
- Potential undesirable consequences associated with the product or service involved.
- The nature, use, and intended lifetime of its products and services.
- Customer requirements.
- Customer feedback.

Post-delivery activities may include topics related to warranties, contractual obligations, recycling, and final disposition.

Control or Changes:

8.3.21 Production changes are reviewed to ensure continuing conformity with product requirements.

Record of these changes is retained that describes the results of the review of changes, who authorized the change, and any necessary actions arising from the review. Record of production changes are kept on the work instruction, or in the weekly production meeting notes.

Release of Products and Services

8.3.22 Product quality is monitored and measured recording product chemistry. Released documented information is retained on the Inspection reports by showing product chemistry requirements have been met and who authorized the product's release.

Control of Nonconforming Output:

8.3.23 Product that does not conform to product requirements is identified and controlled to prevent its unintended use or delivery. The controls and related responsibilities and authorities for dealing with nonconforming product are defined in a documented procedure, QP08-01 Control of Nonconforming Output.

Where applicable, nonconforming product is dealt with by one or more of the following manners:

- by taking action to eliminate the detected nonconformity;
- by returning to vendor;
- by discarding it,
- by authorizing its use, release or acceptance under concession by a relevant authority and, where applicable, by the customer;
- by taking action to preclude its original intended use or application; and,
- by taking action appropriate to the effects, or potential effects, of the nonconformity when nonconforming product is detected after delivery or use has started.

When nonconforming product is corrected it is subject to re-verification to demonstrate conformity to the requirements.

Records of the nature of nonconformities and any subsequent actions taken, including concessions obtained, are maintained.

8.4 Related and Support Documentation

QP08-01 Control of Nonconforming Output
QP09-01 Internal Audits
QP10-01 Risk / Opportunities
QP10-02 Preventive Action
Design Review Record
Weekly Production Schedule
Purchase Order
P.O. Ledger
Work Order
Subcontractor/Vendor Evaluation Form
Subcontractor/Vendor Survey
Approved List of Subcontractors/Vendors
Customer Complaint/Corrective and Preventive Action Form
Receiving Log
Work Instruction Binder
Lab Scope Binder
Process Assembly/Inspection Checklist
In-Process Inspection Form
Instrument Serial Log
Probe Serial Log
Customer Repair/Calibration Receiving Form
Master List of IM&TE

Performance Evaluation

9.1 Scope and Purpose

The quality system described in this section of the QPM conforms to the requirements of the standard: Clause 9—Performance Evaluation. This policy defines the corporate commitment to quality.

9.2 Responsibility and Authority (R&A)

The R&A for overall administration of quality management system activities is shared by the President and Vice Presidents. Employees have the responsibility to complete quality activities in support of the quality policy, quality system documentation and customer and regulatory requirements. Employees have been granted authority in order to meet specified requirements.

9.3 Performance Evaluation

General Requirements:

9.3.1 NDS has planned and implemented the monitoring, measurement, analysis and evaluation processes needed to:

- Evaluate the performance and effectiveness of the QMS;

Documented information is retained, as appropriate.

Customer Satisfaction:

9.3.2 As one of the measurements of the performance of the quality system, the organization monitors information relating to customer perception as to whether customer requirements have been fulfilled. The methods for obtaining and using this information is the responsibility of the President/MR. Customer surveys are received from certain customers and any type of concern or complaint is recorded

on the Customer Complaint/Corrective and Preventive Action Report (3QF14-01). These reports are tallied and discussed at Management Review.

NOTE: Monitoring customer perception can include obtaining input from sources such as

customer satisfaction surveys, customer data on delivered product quality, user opinion surveys, lost business analysis, compliments, warranty claims and dealer records.

Analysis and Evaluation

9.3.3 NDS collects and analyzes data to determine the performance of the quality management system and to identify improvements that can be made.

Data is analyzed to provide information on the following:

-
- Conformity of products and services.
- Customer satisfaction.
- The performance and effectiveness of the quality management system.
- If planning has been implemented properly.
- The effectiveness of actions taken to address risks and opportunities.
- The performance of external providers.
- The need for improvements to the quality management system.

Conformance to product requirements is monitored by rework.

Customer satisfaction is monitored and measured primarily by tracking the results of Customer Satisfaction Surveys and customer complaints.

Overall performance of the quality management system is from tracking the defined Quality Objectives.

External Provider performance is monitored by tracking purchased products' nonconformance's.

The quantifiable portions of measurables above may statistically reviewed. Analysis and evaluation is a topic for Management Review

Internal Audit:

9.3.4 Periodic internal audits are conducted at planned intervals to determine whether the quality management system:

- conforms to the planned arrangements, to the requirements of this International Standard, and to the quality management system requirements established by the organization; and,
- is effectively implemented and maintained.

An audit program is planned that takes into consideration the status and importance of the processes and areas to be audited, as well as the results of previous audits. The audit criteria, scope, frequency and methods are defined. The selection of auditors and conduct of audits ensures objectivity and impartiality of the audit process. Auditors do not audit their own work. This process may be outsourced to a trained third party.

The responsibilities and requirements for planning and conducting audits, and for reporting results and maintaining records, are defined in a documented procedure, QP08-01 Internal Audits.

The management responsible for the audited area ensures that any necessary corrections and corrective actions are taken without undue delay to eliminate detected nonconformities and their causes. Follow-up activities include the verification of the results of actions taken and the reporting of verification results.

Management Review:

9.3.5 Top management reviews the quality management system at least annually to ensure its continuing suitability, adequacy and effectiveness. This review includes assessing opportunities for improvement and the need for changes to the quality management system, including the quality policy and quality objectives. Records of management reviews are maintained on the Management Review Agenda (3QF01-01). The President/MR, Vice Presidents, Office Manager, Manufacturing Manager, and Shipping Manager are required to attend.

Management Review Input:

9.3.6 Input to management review includes information on, as appropriate

- Status of actions from previous management reviews.
- Changes in external and internal issues that are relevant to the quality management system.
- Information on the performance and effectiveness of the quality management system, including trends in:
  -Customer satisfaction and feedback from relevant interested parties.
  -The extent in which the quality objectives have been met.
  -Process performance and conformity of products and services.
  -Nonconformities and corrective actions.
  -Monitoring and measurement results.
  -Audit results.
  -External provider's performance.
- The adequacy of resources.
- The effectiveness of actions taken to address risks and opportunities.
- Opportunities for improvement.

Management Review Outputs:

9.3.7 Output from management review includes the decisions and actions related to:

- Opportunities for improvement;
- any need for changes to the quality management system;
- resource needs.

Documented information on management review is maintained. If any member of management is absent from the meeting, the MR is responsible for forwarding the meeting agenda and notes to the absentee. The absentee initials the documentation.

9.4 Related and Support Documentation

QP09-01 Internal Audits
QP10-01 Risk / Opportunities
QP10-02 Preventive Action
Customer Complaint/Corrective and Preventive Action Report (3QF14-01)

Improvement

10.1 Scope and Purpose

The quality system described in this section of the QPM conforms to the requirements of the standard: Clause 10—Improvement. This policy defines the corporate commitment to quality.

10.2 Responsibility and Authority (R&A)

The R&A for overall administration of quality management system activities is shared by the President/MR and Vice Presidents. Employees have the responsibility to complete quality activities in support of the quality policy, quality system documentation and customer requirements. Employees have been granted authority in order to meet specified requirements.

10.3 Improvement

General Requirements:

10.3.1 Selection of opportunities gives particular emphasis to:

-
- Improving products and services to meet requirements as well as to address future needs and expectations;
- Correcting, preventing or reducing undesired effects;
- Improving the performance and effectiveness of the quality management system;
- Enquiries, contracts and order handling, including changes and amendments;
- Customer Feedback, including customer complaints;
- Handling and controlling customer property;
- Establishing specific requirements for contingency, when relevant.

Nonconformity and Corrective Action:

10.3.2 Corrective action is taken to eliminate the causes of nonconformities in order to prevent recurrence. Corrective actions are appropriate to the impact of the problems encountered.

A documented procedure, QP10-01 Corrective Action has been established defining requirements for:

- reviewing nonconformities (including customer complaints/concerns);

- determining the causes of nonconformities;
- evaluating the need for action to ensure that nonconformities do not recur;
- determining and implementing action needed;
- records of the results of actions taken; and,
- reviewing the effectiveness of the corrective action taken.

Documented information is retained.

10.3.4 Preventive action is determined to eliminate the causes of potential nonconformities in order to prevent occurrence. Preventive actions are appropriate to the effects of the potential problems.

A documented procedure, QP10-02 Preventive Action is established defining requirements for:

- determining potential nonconformities and their causes;
- evaluating the need for action to prevent occurrence of nonconformities;
- determining and implementing action needed;
- records of results of action taken; and,
- reviewing the effectiveness of the preventive action taken.

Continual Improvement:

10.3.4 The effectiveness of the quality management system is continually improved through the use of the following:

- quality policy;
- quality objectives;
- audit results;
- analysis of data;
- risk / opportunities and preventive actions;
- management review; and,
- weekly meetings.

10.4 Related and Support Documentation

QP09-01 Internal Audits
QP08-01 Control of Nonconforming Product
QP10-01 Corrective Action
QP10-02 Preventive Action

Customer Complaint/Corrective and Preventive Action Report (3QF14-01)

4.1 Scope and Purpose

The procedure described in this section of the QPM conforms to the requirements of the standard: Clause 7.5—Documented information and defines the control of quality system documented information and documented information that is retained.

4.2 Responsibility and Authority (R&A)

The President, Vice Presidents, and Office Manager have the responsibility and authority for implementing all requirements of this procedure.

4.3 Control of Documents Procedure

4.3.1 The Quality/Procedure Manual (QPM) is controlled via the Amendment Record and the Controlled Circulation List by the President.

4.3.2 All documents and data are controlled by labeling them with the following: title, number, revision level and date.

4.3.3 All external documents used in NDS' routine business practices are controlled by labeling them with an NDS issued document number and listing them on the NDS Products External Document List (ML004).

Document and data approval and issue

4.3.4 The President reviews and approves for adequacy all controlled documents and data prior to issue. An electronic and paper Master List (ML001) is maintained to identify the approval and current revision level of each document. The President also ensures that the Document Master List is readily available to preclude the use of invalid and/or obsolete documented information.

4.3.5 The President ensures that current issues of appropriate documented information are available at all locations where operations essential to the effective functioning of the quality system are performed.

4.3.6 All work instructions, diagrams, drawings, parts lists and other items in NDS production books volume 1 through 6 are either put in a plastic protective sleeve or laminated to ensure that they are legible and identifiable. All other documented information / documented information retained is filled / stored to ensure that they

maintain their integrity.

4.3.7 All documented information deemed needing review will be reviewed once a year for re-approval during the management review meeting.

4.3.8 The President notifies NDS personnel when controlled documented information has changed or has been rendered obsolete. The President removes all obsolete documented information from use to preclude their unintended use.

4.3.9 When it is necessary to retain obsolete documented information for legal and/or knowledge purposes, the information is maintained in a specific folder electronically and/or in hardcopy format.

4.3.10 The President or Vice Presidents back up electronic data in accordance with 3WI05-01 Backing Up Data work instruction

Documented information and data changes

4.3.11 Any NDS employee can make suggestions to change documented information. Written changes are reviewed and approved by the same employee/organization that performed the original review, unless specifically designated otherwise. The designated employee/organization has access to pertinent background information upon which to base their review and approval. The President discusses the changes with the designated employee/organization. Where practical, the nature of the change may be in pen and/or ink if initialed and dated or on a separate attachment.

Registration mark and marks of accreditation agencies

4.3.12 The President ensures that the registration mark and marks of accreditation agencies are not to be used except in original certificate form per PJR's PRO 3 procedure. Access to original certificates is permissible, they may be photo copied, e-mailed or downloaded from the NDS web-site. If NDS does decide to use the marks in any way other than described above, the appropriate procedures will be implemented to ensure that they are not used in a negligent manner.

4.4 Control of Documented information retained (records)

4.4.1 The President maintains this procedure for identification, collection, indexing,

access, filing, storage, maintenance, and disposition of documented information retained. The President ensures that all record-keeping requirements are fulfilled.

4.4.2 The following list of Quality Records clearly details the storage location and retention time for each type of record. During the annual Management Review meeting all records will be reviewed for disposal and documented in 3QF01-01. All sensitive records containing personal data, credit card numbers, bank account numbers, EIN numbers, and any other sensitive information shall be shredded and disposed of in our regular garbage along with all non sensitive records.

4.4.3 Quality records are stored in file folders or binders that are kept in file cabinets or on bookshelves. The folders and binders are labeled in such a way to facilitate identification, indexing, and filing. All records legible, readily identifiable and retrievable. Electronic records are backed up per 3WI05-01. All non current full folders and binder records are stored in our records storage room.

4.4.4 Specified quality record retention periods do not supersede any customer agreements or government regulatory requirements and are to be made available for customer/regulatory inspection or evaluation as required. Retention periods are considered "minimums".

4.4.5 All records are to be legible. Corrections are done by drawing a line through the affected area and entering the correction above the affected area and initialing. Calibration Certificates may be corrected and reproduced by adding a "A" after the certificate number and stapling the older certificate to it.

Type of Record	Location	Retention Period
Management Review Agenda	President's Office	5+ Years
Contract Review Records	Office Manager's Office	5+ Years
Loss/Damage to Customer Property	Office Manager's Office	5+ Years
Product ID & Traceability	President's Office	5+ Years
Equipment Maintenance	President's Office	5+ Years
Urgent Release Records	President's Office	5+ Years
Inspection and Test Records	President's Office	5+ Years
Vendor/Subcontractors	President's Office	5+ Years
Corrective/Preventive Actions	President's Office	5+ Years
Calibration Records	Calibration file cabinets & Monthly binders	5+ Years
Nonconforming Product Records	President/MR Office	5+ Years
Audit Records	President/MR Office	5+ Years
Training Records	President/MR Office	5+ Years

4.5 Related and Support Documentation

Document Master List (ML001)
External Document Master List (ML004)
Backing Up Data (3WI05-01)
Perry Johnson Registrars PRO 3
Back Up Work Instruction (3WI05-01)
Management Review Meetings (3QF01-01)

4.1 Scope and Purpose

The procedure described in this section of the QPM conforms to the requirements of the standard: Clause 8.7—Control of nonconforming outputs and defines the control of nonconforming product including review, identification, segregation, and disposition.

4.2 Responsibility and Authority (R&A)

The President and Vice Presidents have the responsibility and authority for implementing all requirements of this procedure.

4.3 Nonconforming Product Procedure

4.3.1 The President maintains this procedure to ensure that product that does not conform to specified requirements is prevented from unintended use or installation.

4.3.2 Nonconforming product is identified by tagging the item with a yellow NDS Service Repair Tag (NDS-SRT-1) and placing the item in a bin marked "nonconforming". All NDS personnel can report and/or segregate nonconforming product. The tag must be maintained as a record. **Note:** Failed components associated with normal manufacturing defects are not tagged (Resistors, transistors, etc.). Nonconforming product includes the following: Defect in process (finishing, wrong part installed, damaged by NDS), defect due to procedure (will not calibrate, conformance to wrong standard).

4.3.3 Nonconforming parts from products are placed in a bin marked scrap and listed on 3QF13-01 Nonconforming Parts Scrap List. The list is monitored for trending.

4.3.4 The President or Vice Presidents review the product to determine disposition. Items may be reworked/repaired, accepted with concession by customer, scrapped, or returned to vendor.

4.3.5 Once disposition is decided, it is recorded on the yellow service tag and the item is placed in the corresponding bin. Reworked product is always re-inspected.

4.3.6 For repair and calibrations, if any nonconforming product is repaired or reworked, the President/MR notifies the customer to obtain concession. The description of the nonconformity is recorded on the Certificate of Calibration and is re-inspected.

4.3.7 NDS Products, Inc.'s President will take action appropriate to the effects, or potential effects, of a nonconformity when nonconforming product is detected after delivery or use has started.

4.4 Related and Support Documentation

NDS Service Tag (NDS-SRT-1)
Certificate of Calibration
Nonconforming Parts Scrap List 3QF13-01

4.1 Scope and Purpose

The procedure described in this section of the QPM conforms to the requirements of the standard: Clause 9.2—Internal Audit and defines the necessary steps for Internal Audits to be performed.

4.2 Responsibility and Authority (R&A)

The President has the responsibility and authority for implementing all requirements of this procedure.

4.3 Internal Audit Procedure

4.3.1 The President schedules internal quality audits on the basis of the status and importance of the activity to be audited and ensures that all activities, processes and procedures of the system are audited at least once per year. The President decides if more specific audits are required as well.

4.3.2 Third party auditors are contracted to administer internal quality audits so that NDS can ensure that audits are carried out by trained and qualified personnel who are independent of the activities being audited. Third party auditors are to be certified to conduct Internal Audits by a company certified in training auditors. Qualification documents are maintained and vendor history is maintained on the Approved Subcontractor/Vendor List (ML002).

4.3.3 The auditors use a Process Audit Worksheet (3QF17-05) and NDS will document any findings on the Internal Audit Nonconformity/Observation form (3QF17-01). The President/MR tracks the findings on the Internal Audit Log (3QF17-03) and notifies the responsible personnel of the nonconformance or opportunities for improvement.

4.3.4 The responsible personnel decide on the corrective action to be taken and a time frame needed to implement the action. The President reviews the results of the corrective action and conducts a follow-up investigation to ensure corrective action was implemented timely and was effective. A record of the result of corrective actions are maintained per (QP10-01).

4.3.5 The President presents the results of internal audits for discussion at the next Management Review.

4.4 Related and Support Documentation

Process Audit Worksheet (3QF17-05)
Internal Audit Nonconformity/Observation Report (3QF17-01)
Internal Audit Log (3QF17-03)
Approved Subcontractor/Vendor List (ML002)

4.1 Scope and Purpose

The procedure described in this section of the QPM conforms to the requirements of the standard: Clause 10.2—Nonconformity, Corrective Action, Risk, Opportunities and defines the corrective action process.

4.2 Responsibility and Authority (R&A)

The President and Vice Presidents have the responsibility and authority for implementing all requirements of this procedure.

4.3 Corrective Action, Risk and Opportunity Procedure

4.3.1 The President and Vice Presidents ensure that any corrective action taken to eliminate the causes of actual or potential nonconformities is to a degree appropriate to the magnitude of the problem and commensurate with the risks encountered.

4.3.2 The President is responsible for implementing and recording any changes to the quality manual, documented procedures, forms, and records resulting from corrective action.

4.3.3 Any employee who witnesses a nonconformance relating to product, process and the quality system can complete the Customer Complaint/Corrective, Risk / Opportunities and Preventive Action Report (3QF14-01). This form is used to investigate and record the cause, determine and record the corrective action, and to ensure that it is implemented and reviewing the effectiveness. The Customer Complaint/Corrective, Risk / Opportunities and Preventive Action Reports (3QF14-01) are logged into the Complaint/Corrective, Risk / Opportunities and Preventive Action Log Form (3QF20-01).

4.3.4 The President or Vice Presidents handle all customer complaints by recording them on the Complaint/Corrective, Risk / Opportunities and Preventive Action Report (3QF14-01). This form is used to investigate and record the problem, determine the type of action (corrective/warranty/other, etc.) to ensure the action is implemented and review the effectiveness. A copy of the report is mailed to the customer.

4.3.5 The President or Vice Presidents handle all Supplier Complaint/Corrective, Risk /

Opportunities and Preventive Action Requests by recording them on the Complaint/Corrective, Risk / Opportunities and Preventive Action Report (3QF14-01). The report is mailed or faxed to the supplier requesting corrective action. The supplier has 30 days to respond. If the supplier fails to respond or responds unsatisfactorily, they will be put on probation or removed from the Approved Subcontractor/Vendor List.

4.3.6 The President or Vice Presidents review and prioritize the nonconformities based on the severity or nature of them and investigates them before assigning ownership to the responsible personnel.

4.3.7 The President, Vice Presidents, or assigned personnel determines the root cause of the problem, determines the corrective action to be taken and forwards a plan to the President and Vice Presidents. The President and Vice Presidents decide if the proposed corrective action is going to prevent the situation. If approved, the owner/originator establishes timelines, implements the corrective action, and then follows-up to verify the effectiveness.

4.4 Related and Support Documentation

Complaint/Corrective, Risk / Opportunities and Preventive Action Report (3QF14-01)
Complaint/Corrective, Risk / Opportunities and Preventive Action Log (3QF20-01)
Approved Subcontractor/Vendor List (ML002)

4.1 Scope and Purpose

The procedure described in this section of the QPM defines the preventive action process.

4.2 Responsibility and Authority (R&A)

The President and Vice Presidents have the responsibility and authority for implementing all requirements of this procedure.

4.3 Preventive Action Procedure

4.3.1 The President and Vice Presidents ensure that any preventive action taken to eliminate the causes of potential nonconformities in order to prevent their occurrence. Preventative actions are appropriate and commensurate with the potential risks encountered.

4.3.2 All personnel can address the President with preventive action suggestions. Preventive actions are reviewed and discussed at the Weekly Production Meetings or in the Management Review. The Customer Complaint/Corrective and Preventive Action Report (3QF14-01) is used to record preventive action and are then logged in to the Complaint Log Form (3QF20-01).

4.3.3 NDS takes in to account any opportunities for improvement found during internal audits when deciding on the preventive actions to be taken.

4.3.4 Information gathered through the analysis of data (i.e. delivery performance) is reviewed to detect any adverse trends in which preventive action can be applied.

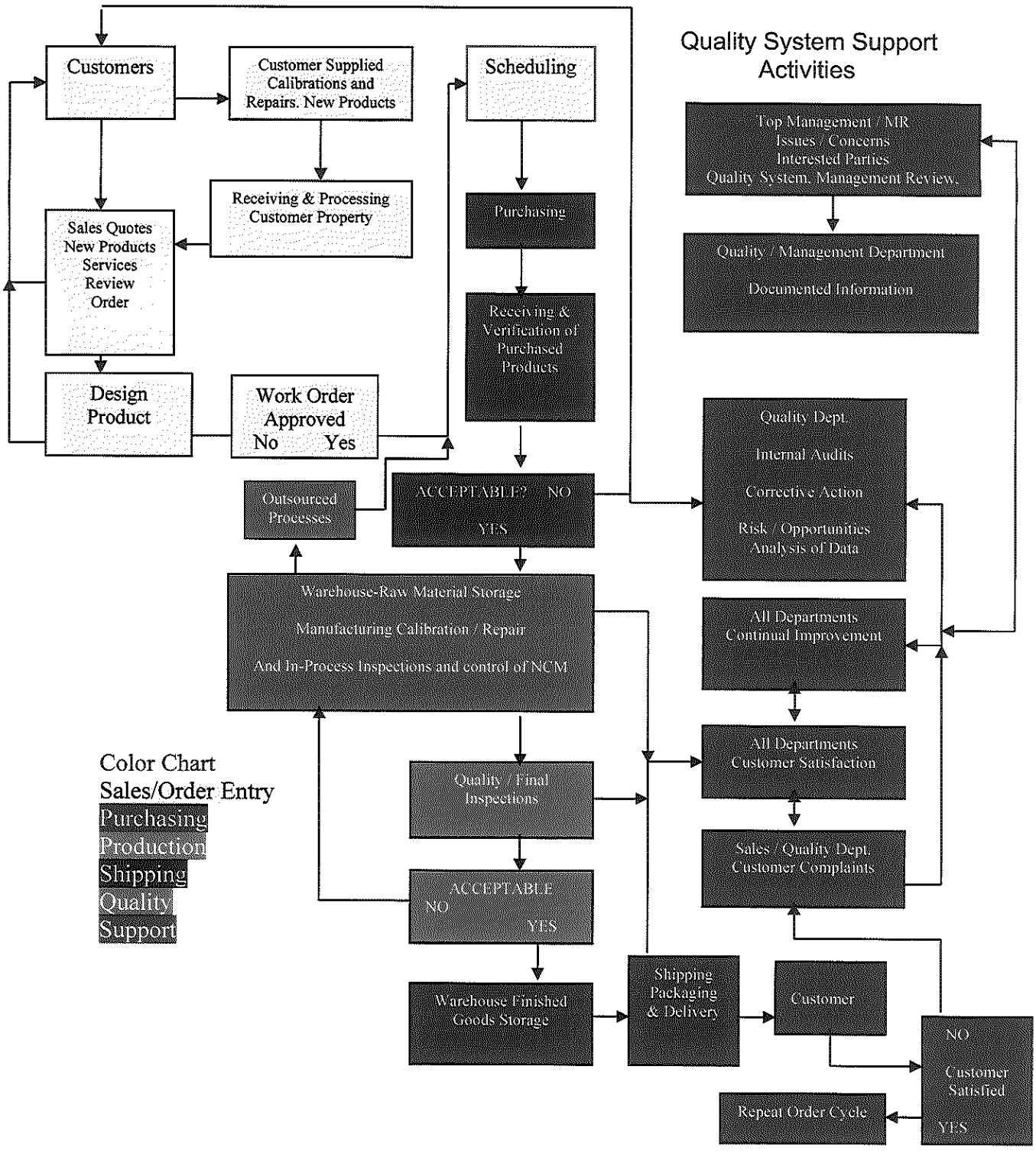
4.3.5 The President and/or the Vice Presidents determine and implement any action needed, records of the results of action taken are maintained per (QP04-02).

4.3.6 The President and the Vice Presidents are responsible for reviewing the effectiveness of the preventative action taken.

4.3.7 All preventive actions are discussed at Management Review.

4.4 Related and Support Documentation

Customer Complaint/Corrective and Preventive Action Report (3QF14-01)
Complaint Log (3QF20-01)


Customers
Customer Supplied Calibrations and Repairs. New Products
Scheduling
Quality System Support Activities
Top Management / MR
Issues / Concerns
Interested Parties
Quality System. Management Review.
Receiving & Processing Customer Property
Purchasing
Sales Quotes
New Products
Services
Review
Order
Quality / Management Department
Documented Information
Receiving & Verification of Purchased Products
Design Product
Work Order Approved
No Yes
Quality Dept.
Internal Audits
Corrective Action
Risk / Opportunities
Analysis of Data
Outsourced Processes
ACCEPTABLE? NO
YES
Warehouse-Raw Material Storage
Manufacturing Calibration / Repair
And In-Process Inspections and control of NCM
All Departments
Continual Improvement
All Departments
Customer Satisfaction
Color Chart
Sales/Order Entry
Purchasing
Production
Shipping
Quality
Support
Quality / Final Inspections
Sales / Quality Dept.
Customer Complaints
ACCEPTABLE
NO
YES
Shipping
Packaging
& Delivery
Customer
Warehouse Finished Goods Storage
NO
Customer Satisfied
YES
Repeat Order Cycle

NDS PRODUCTS, INC.
PROCESS DESCRIPTION

Orders are received from the customer for manufactured product, for repairs or for calibration. Personnel review inventory to see if material(s) is available for production or repair. Issues, concerns and interested parties are identified and documented

The President/MR creates a Production Schedule (3QF09-01), which denotes what will be accomplished for various customers in the upcoming week. A Weekly Production Meeting is held so the President/MR or Vice Presidents can assign tasks in accordance with the schedule. The schedule and the meeting allow management to assign the appropriate personnel to the appropriate task in order to complete work to be done.

The President/MR also pre-plans production activities by reviewing the previous six-month of orders. Based on these orders, the President/MR decides what items should be created in order to maintain inventory.

The President/MR and Vice Presidents have the authority to perform and / or direct repairs and calibrations. Once the repairs are complete, the items are calibrated and a Certificate of Calibration is completed and issued.

The President/MR and Vice Presidents ensure processes and equipment is approved, as appropriate, and maintains all equipment used in production. Workmanship is ensured and controlled by customer specifications, NDS specifications, and national standards. Work instructions are available to all personnel as needed.

Conditions are further controlled through inspection and testing, the control of inspection and test equipment, and the control of nonconforming product. Process parameters and characteristics are also monitored through internal and external audits, corrective actions, risk / opportunities and analysts of data.

The President/MR and Vice Presidents have authority to outsource processes including but not limited to calibration and repair of IM and TE and the manufacturing goods required to make our products. Outsourcing processes are discussed in weekly meetings/management review and tracked via purchase orders, invoices, packing slips and calibration certificates.

All NDS personnel are qualified and trained to carry out their responsibilities and any processes that are out sourced are controlled, identified and documented in weekly meetings and management reviews.