

## QMS DOCUMENT



Subject : **QMS guide**

From : **QM**

To : **ALL**

Date : **27 Feb 2010**

Version :

**2 Feb 2011**

**20 Jan 2012**

**3.0**

The Abilis QMS Guide, also referred to as the Quality Manual, describes the organization's quality management system in terms of its policies, objectives and processes.

### 1 Introduction

The purpose of the Abilis Systems SARL Quality Management System (QMS) is to

- Demonstrate its ability to consistently provide products that meet customer and applicable statutory and regulatory requirements.
- Enhance customer satisfaction through the effective application of the system, including processes for continual improvement of the system and the assurance of conformity to customer and applicable statutory and regulatory requirements.
- Ensure the sustainability of our business

### 2 Application

All requirements of the international standard ISO 9001:2008.

#### 2.1 Scope

The quality management system applies to the following parts of the organization:

- Procurement and delivery of microchips

#### 2.2 Exclusion

- Clause 7.3 : design and development

### **3 Abilis statements**

#### **3.1 Vision**

- Become a key player in secure home distribution to multiple screens.
- To become a high-double-digit Million revenue company in the next 3 years with a 50% gross margin.

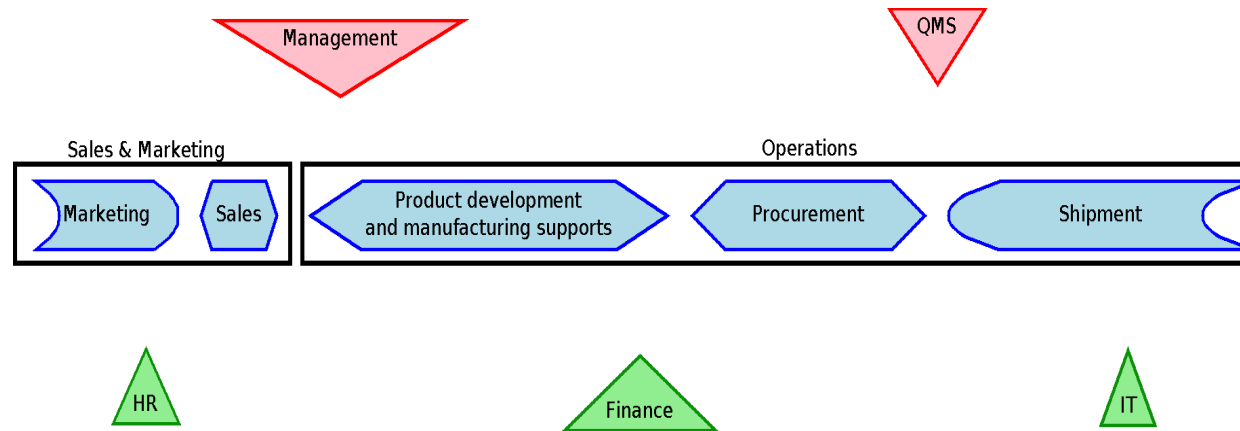
#### **3.2 Mission**

- Abilis is a great Place with Respect, Accountability, Team work, Integrity and Customer focus: PRATIC
- Be #1 or #2 in specific markets and be ranked top 3 supplier to strategic customers.

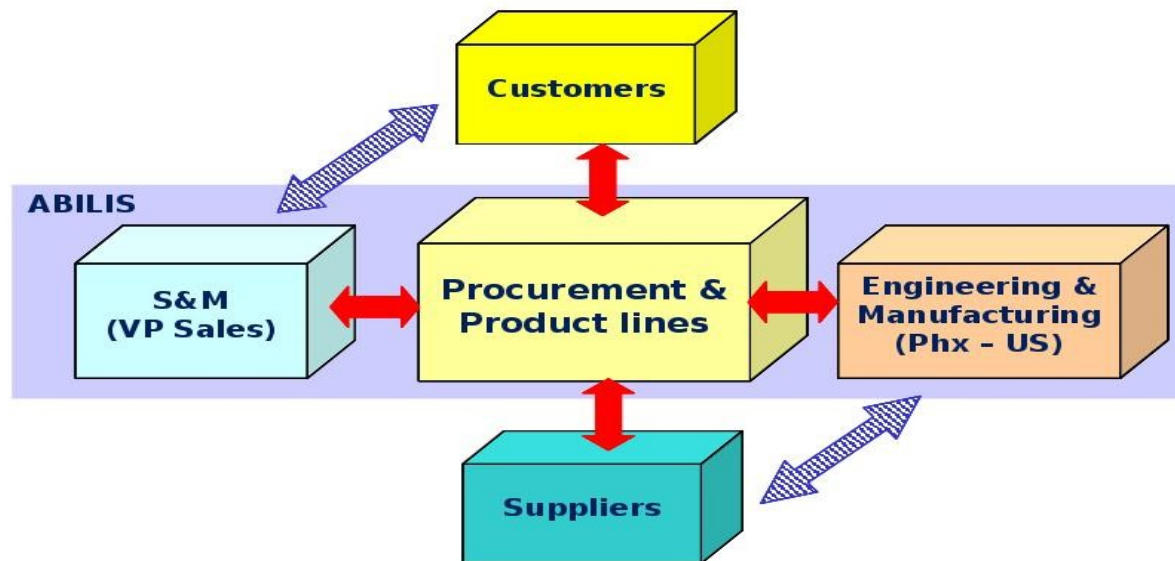
#### **3.3 Quality**

- To provide customers ultimately with the best products which results in a long term relationship.
- To improve efficiency and communication by capturing best practice.
- To record data to improve productivity and to ensure traceability of the work carried out.
- Certification gives customers assurance that we have a process in place that meets their supply chain requirements.
- Hire qualified staff and provide training to stay abreast of the technological developments.

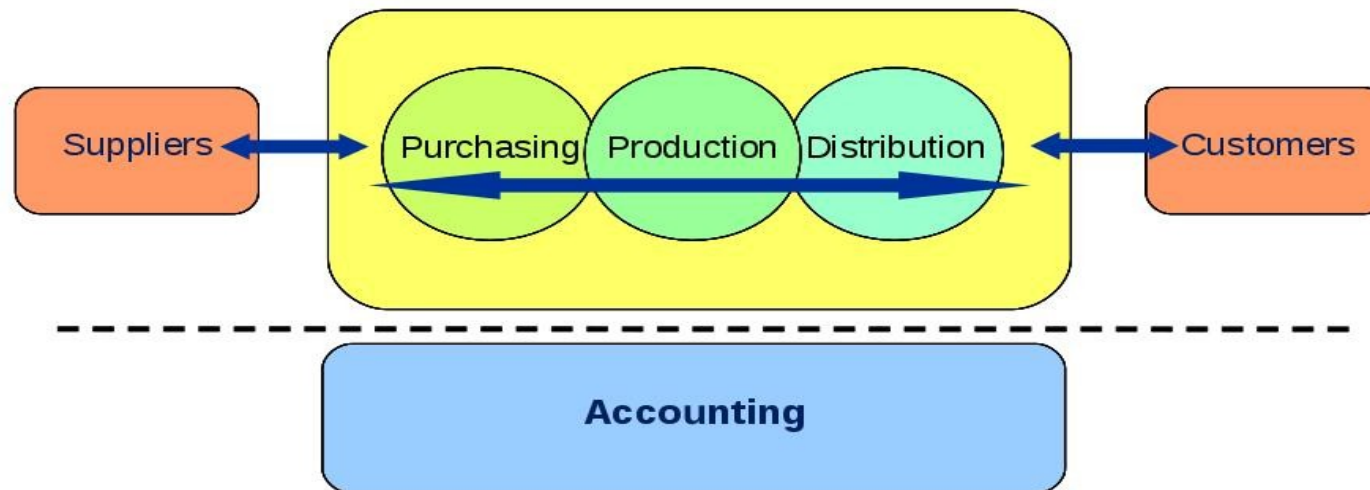
#### 4 Core Processes map



#### 4.1 Operation's group positioning



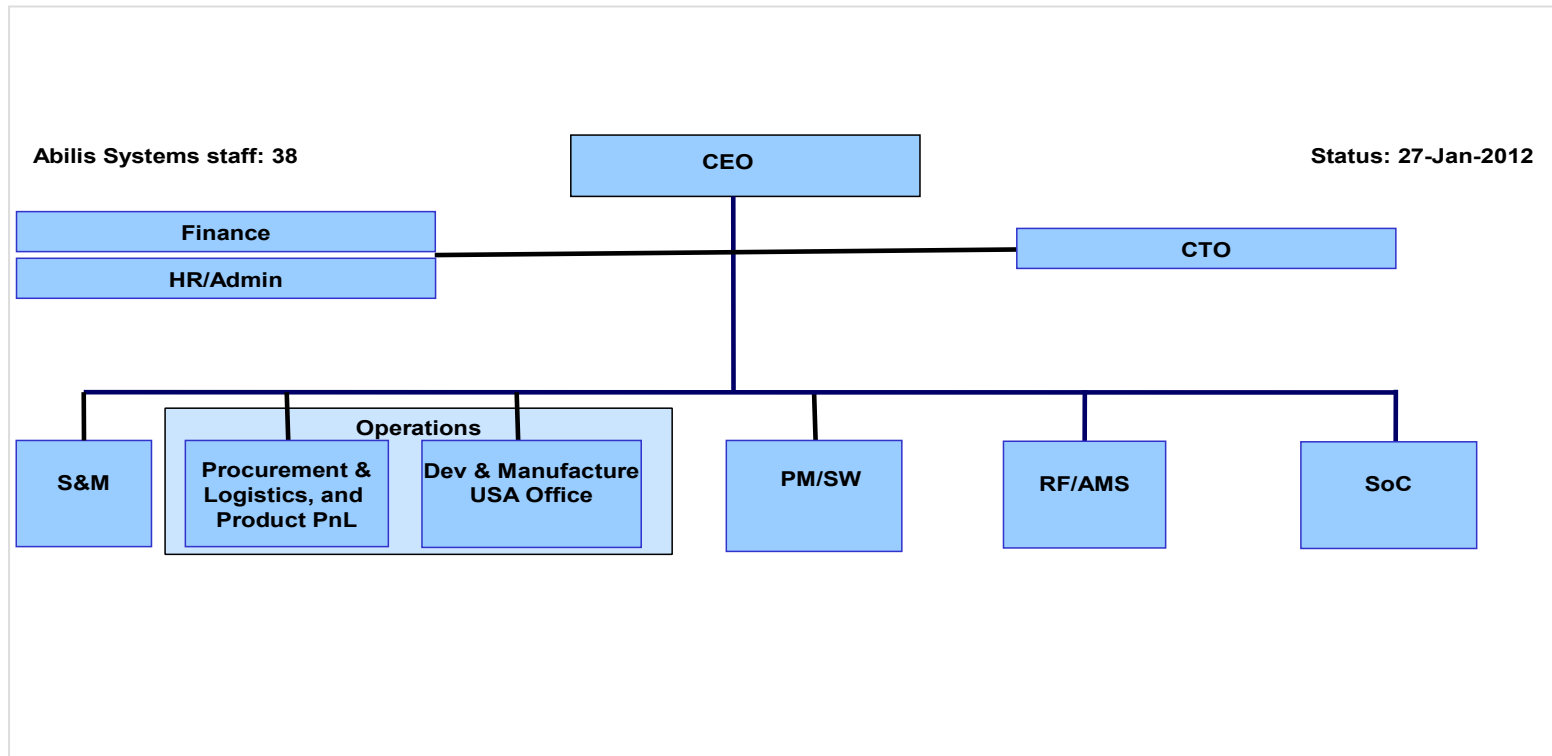
## 4.2 Supply chain



## 5 Organization chart



## Abilis Organization Chart



## 6 Risk assessment

Adapted from ISO/IEC 31010:2009 Risk management: Risk assessment techniques - B.29 Consequence/probability matrix.

				People	Injuries or ailments not requiring medical treatment.	Minor injury or First Aid Treatment Case.	Serious injury causing hospitalisation or multiple medical treatment cases.	Life threatening injury or multiple serious injuries causing hospitalisation.	Death or multiple life threatening injuries.
<b>E - Extreme risk - detailed action plan required</b>				Reputation	Internal Review	Scrutiny required by internal committees or internal audit to prevent escalation.	Scrutiny required by external committees or ACT Auditor General's Office, or inquest, etc.	Intense public, political and media scrutiny. Eg: front page headlines, TV, etc.	Assembly inquiry or Commission of inquiry or adverse national media.
<b>H - High risk - needs senior management attention</b>									
<b>M - Medium risk - specify management responsibility</b>									
<b>L - Low risk - manage by routine procedures</b>				Business Process & Systems	Minor errors in systems or processes requiring corrective action, or minor delay without impact on overall schedule.	Policy procedural rule occasionally not met or services do not fully meet needs.	One or more key accountability requirements not met. Inconvenient but not client welfare threatening.	Strategies not consistent with Government's agenda. Trends show service is degraded.	Critical system failure, bad policy advice or ongoing non-compliance. Business severely affected.
High or Extreme risks must be reported to Abilis's CEO and require detailed treatment plans to reduce the risk to Low or Medium.									
				Financial	1% of Budget or <\$5K	2.5% of Budget or <\$50K	> 5% of Budget or <\$500K	> 10% of Budget or <\$5M	>25% of Budget or >\$5M
					Insignificant	Minor	Moderate	Major	Catastrophic
Probability:		Historical:			1	2	3	4	5
Likelihood	>1 in 10	Is expected to occur in most circumstances	5	Almost Certain	5	10	15	20	25
	1 in 10 - 100	Will probably occur	4	Likely	4	8	10	16	20
	1 in 100 - 1,000	Might occur at some time in the future	3	Possible	3	6	9	12	15
	1 in 1,000 - 10,000	Could occur but doubtful	2	Unlikely	2	4	6	8	10
	1 in 10,000 - 100,000	May occur but only in exceptional circumstances	1	Rare	1	2	3	4	5

Adapted from Standards Australia Risk Management AS/NZS 4360: 2004

## 7 Core Processes Data Sheets

### 7.1 Management

Objective		
The company is market and customer driven, we strive to meet customer requirements and assign our core R&D resources accordingly. Define, implement and execute the required actions to meet the company objectives.		
Input	Key activities	Output
Company targets (Scorecard) Market data	Running of the company on a daily basis Line management of staff Manage allocated budget	Project plans Resource plans Budget (requests)
Risk assessment	Requirements	Measurement (KPI)
7.25	5.1 Management commitment 5.2 Customer focus 5.3 Quality policy 5.4.1 Quality objectives 5.4.2 Quality management system planning 5.5.3 Internal communication 5.6 Management review 6.4 Work environment 8.4 Analysis of data	EBITDA better than last year GM>40%

7.2 QMS

Objective		
Manage and monitor the Abilis quality system.		
<p>Input</p> <p>ISO-9001:2008</p> <p>ISO-9004:2009</p> <p>Abilis QMS documents</p> <p>Statutory and regulatory requirements</p>	<p>Key activities</p> <p>Conduct internal audits</p> <p>Track KPIs &amp; Scorecard objectives</p> <p>Manage non-conformity</p> <p>Put corrective actions in place</p> <p>Produce, review, add new SOP and WI</p> <p>Train staff wrt QMS usage</p> <p>Plan and manage external audits</p> <p>Present status/performance at quarterly management meeting</p>	<p>Output</p> <p>New and updated Abilis QMS documents</p> <p>KPI reports, QMS guide, Management review</p> <p>Internal audit report, GVA &amp; PHX</p> <p>External audit reports</p> <p>Cont. improvement actions</p>
<p>Risk assessment</p> <p>3.5</p>	<p>Requirements</p> <p>4.2 Documentation requirements</p> <p>5.5.2 Management representative</p> <p>6.1 Provision of resources</p> <p>8.2.1 Customer satisfaction</p> <p>8.2.2 Internal audit</p> <p>8.2.3 Monitoring and measurement of processes</p> <p>8.3 Control of nonconforming product</p> <p>8.5 Improvement</p>	<p>Measurement (KPI)</p> <p>QMS non-conformity &lt; 3/year</p> <p>All QMS actions completed in 90 days</p>

### 7.3 Sales & Marketing

Objective		
Drive the companies future revenue growth and profitability and increased market share thorough strategic leadership, effective client relationships and ensuring that the company has the right product mix to become a leader in the market.		
Input	Key activities	Output
Customer information Product requirements POs from customers Market, trend and competition data Information and technical feedback from FAE and R&D	Develop company sales and market/customer engagement strategy Produce resource plan to meet future growth targets in line with companies budget Predict sales and maintain a forecast system Maintain the corporate web-page Maintain a competitor intelligence system (e.g. product line, features, prices, market) Collect customer requirements and compile product requirements Maintain all product data sheets and product description Ensure all customer facing documentation has the same look & feel Define and maintain the look & feel of products, e.g. user interfaces of tools Manage distributors and other sales channels Put in place a strategy to maximize revenues and profit margins from sale of products Next generation products roadmap and ASP	Sales forecast PRD input, e.g. target selling price to derive target manufacturing cost Corporate web-page Market & competitive intelligence information Customer PO Requests for shipment of finished goods Requests for shipment of reference designs Data on market prices levels, e.g. BOM costs Product requirements Requests for FAE support Change requests for R&D (project manager) Maximize effectiveness of S&M organization Execution plan to meet company revenue targets and objectives Establish strong business relationships at key accounts Management of Sales and Marketing budget
Risk assessment	Requirements	Measurement (KPI)
13	5.2 Customer focus 7.2 Customer-related processes	Customer satisfaction metric $\geq 2.0$ Sales forecast accuracy within $\pm 10\%$

**7.4 Operations**

Objective		
Ensure the timely delivery of high quality finished goods and prototype chips.		
Input	Key activities	Output
<p>PO</p> <p>Predicted future shipment volume of finished goods</p> <p>Data from fab &amp; assembly partners</p> <p>RFI and RFQ information from suppliers</p> <p>Data &amp; information pertinent to start the production of prototype chips</p>	<p>Initiate, supervise and manage the manufacturing of finished goods: microchips.</p> <p>Monitor shipment of finished goods to customers.</p> <p>Manage procurement, e.g. initiate invoice process upon delivery of finished goods.</p> <p>Monitor and record quality of production of finished goods.</p> <p>Select and manage the fab and assembly and test houses.</p> <p>Select and manage the sub-contractor responsible for carrying finished goods to the customer.</p> <p>Select and manage the sub-contractor responsible for carrying non-finished goods from one sub-contractor to another sub-contractor.</p> <p>Perform annually a sub-contractor assessment.</p> <p>Initiate, supervise and manage the manufacturing of prototype chips for R&amp;D.</p>	<p>Finished goods, i.e. microchips</p> <p>Data for invoicing customers</p> <p>Report on current stock levels of all finished goods</p> <p>Report on number of finished goods in production chain (supply chain)</p> <p>RFI, RFQ</p> <p>Records regarding chip manufacturing, e.g. wrt quality tracking</p> <p>Data from prototype chip manufacturing</p>
<p>8.67</p> <p>Risk assessment</p>	<p style="text-align: center;">Requirements</p> <p>7.1 Planning of product realization</p> <p>7.3 Design and development</p> <p>7.4 Purchasing</p> <p>7.5 Production and service provision</p> <p>7.6 Control of monitoring and measuring equipment</p> <p>8.2.4 Monitoring and measurement of product</p>	<p style="text-align: center;">Measurement (KPI)</p> <p>Ratio of POACK produced within 3 working days upon PO receipt &gt;95%.</p> <p>Ratio of shipments (&gt;=95% of volume) made as per POACK date or better &gt;95%.</p> <p>Inventory: hold &lt;2 months worth of goods in on average sales over the last 3 months</p> <p>Deliver samples +/-1 month of agreed date</p>

7.5 HR

Objective		
Input	Key activities	Output
Manage employee related issues. Law and legislation Kudelski processes and policies Recruitment request PDA forms Personnel employee info	Provide input for payroll Manage and supervise recruitment Manage Insurances and social security (AVS and LPP) Manage special leaves (military, maternity, accident, volunteering) Manage work permits, family allowances Ensure the company has competitive remuneration packages Record presence, illness Deal with staff issues, e.g. performance, disciplinary, dismissal	PDS HR policies Data for monthly payroll Attestations, long term wage evaluation
Risk assessment	Requirements	Measurement (KPI)
8.33	5.5.1 Responsibility and authority 6.2 Human resources	Staff turnover rate <= 6% Staff absentism < 2%

**7.6 Finance**

Objective		
Provide visibility of the current and future (i.e. estimated) financial state of the company.		
Input	Key activities	Output
Legal and Kudelski-specific financial accounting rules Budget data HR data for payroll expense forms, bank statements and incoming PO's (or the operation product shipment information) Invoices Data relevant for cash-flow prediction, e.g. expected payments, unexpected expenses	Perform the financial accounting Managing cash in- and outflow (control invoices, initiate payment), i.e. managing liquidity Issue invoices and control payments Financial analysis, e.g. estimating future cash-flow Payroll Produce financial reports	Monthly financial statement Annual report issue sales invoices and accounting annual statement with tax declaration
Risk assessment	Requirements	Measurement (KPI)
not applicable	not applicable	not applicable

## 7.7 IT

Objective		
Maintain an IT infrastructure that is reliable and secure that meets the needs of all users.		
Input	Key activities	Output
Requests from users Software / hardware updates from suppliers	Ensure regular data back-up Define, implement and maintain the IT infrastructure	IT user guidelines Back-up tapes Budget request
Risk assessment	Requirements	Measurement (KPI)
6.2	6.3 Infrastructure	Network availability > 99.5%