



QUALITY MANUAL

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1.0 INTRODUCTION

MUSIC Semiconductors Philippines Inc. (MSPI) is engaged in the design/development, sales, and marketing thru subcontracted manufacturing, test and delivery of specialized semiconductors for the worldwide communications markets.

MSPI developed and implemented a Quality Management System (QMS) to demonstrate its ability to provide products that consistently meets customer and applicable regulatory requirements, and to address customer satisfaction through the effective application of the system. The quality system complies with the international standard ISO 9001:2008.

MSPI Quality policy is to be committed to exceeding customer expectations by delivering dependable and defect-free products, on time, every time and to provide exceptional customer service.

MSPI commits and empowers its employees to implement this policy through the following course of action:

- Clearly understand customer needs and provide products that meet those needs.
- Integrate quality management principles into critical business processes and decision-making practices.
- Continuously improve the effectiveness of the QMS, our processes, products, to enhance their value for our customers, shareholders, and employees.
- Establish quality requirements and ensure suppliers, and service providers comply with them.
- Maintain our Quality Management System to conform to the requirements of ISO9001:2008.

MSPI Mission Statement: "To be the world's leading supplier of competitively priced CAM products that our customers choose as their first option for their search engine products, and to market this CAM technology into myriad other industries beyond the traditional networking market"

2.0 PURPOSE

This Quality Manual provides a framework for the implementation and management of quality systems and programs in MSPI. This manual provides guide for employees as well as for customers, auditors, and others who are interested in the MSPI's approach to quality management system.

3.0 SCOPE

3.1 This Quality Manual applies to MSPI's product development, sales, marketing, supplier management, logistics and shipping operations for the supply of content addressable memory integrated circuits.

3.2 Exclusions: MSPI does not process any customer supplied materials or property and implements no special processes in the manufacture of its products and therefore is exempted from clause 7.5.2 and 7.5.4 per the ISO 9001: 2008 standard.

4.0 QUALITY MANAGEMENT SYSTEM

4.1 General requirements: MSPI has established and documented a QMS and manages the following processes in conformance with the requirements of ISO9001:2008.

- 4.1.1 Determine the processes needed to apply the Quality Management System throughout the company.
- 4.1.2 Determine the sequence and interaction of these processes.
- 4.1.3 Determine criteria and methods to ensure effective operation and control of these processes.
- 4.1.4 Ensure resource availability and information necessary to support the operation and monitoring of these processes.
- 4.1.5 Monitor, measure where applicable and analyze these processes.
- 4.1.6 Implement actions necessary to achieve planned results and continual improvement of these processes.
- 4.1.7 MSPI manages and control all outsourced processes through its approved and qualified subcontractors.

4.2 Documentation Requirements

4.2.1 The quality management system documentation includes

4.2.1.1 Documented statements of a quality policy and quality objectives.

4.2.1.2 Quality Manual

4.2.1.3 Procedures and Records required by ISO 9001

4.2.1.4 Documents including records determined by the organization to be necessary to ensure the effective planning, operation and control of its processes.

4.2.1.5 The illustrations below shows the MSPI documentation hierarchy



MSPI Documentation Hierarchy

4.2.2 Quality Manual includes:

4.2.2.1 MSPI Quality Management System scope, covering all ISO9001 requirements

4.2.2.2 The documented procedures for the Quality System, or references to them.

4.2.2.3 A description of the interaction between processes of the Quality Management System.

4.2.2.4 Quality Manual control: The Quality Manual is issued by QA after review and approval by the Management Representative and approval by the President. Any revision of this document should be approved and issued as a controlled document per MU 0-8-01-0001, Document Control General Procedure.

4.2.3 Document Control

4.2.3.1 MSPI's operational manuals and procedural documents are available via the computer networks system. The documents are "read-only" documents. Document access is regulated by document number MU 0-8-01-0001 Document Control General Procedure.

4.2.3.2 New documents and document changes may be initiated by anyone in the organization, but may only be issued by an authorized function. The authorized functions and the rules governing the issue of documents are defined in procedure MU 0-8-01-0001. All documents are reviewed and approved prior to issue.

4.2.3.3 Both a paper document and an electronic copy is maintained by Document Control which serves as the Master copy of official documents as per the Documents Master list.

4.2.3.4 Obsolete electronic documents are removed from the network and, if retained, are stored in directories that are only accessible to authorized personnel. Retained Masters or copies of obsolete documents are properly marked and are kept separate from active documents. Document changes are reviewed and authorized by the same function that issued the original document. Revised documents are distributed with a change brief summarizing the changes.

4.2.4 Control of Quality Records: Quality records are retained to demonstrate the effective operation of the Quality Management System and the achievement of the required product quality. Quality records are legible, securely stored, easily retrievable, and readily identifiable to the product or Quality Management System involved. Quality records are kept in various forms, including paper, or computer files, and in such a way as to minimize deterioration or damage and to prevent loss.

Each individual functions are responsible for the safekeeping/retention of both identified soft and hard copies of identified critical quality records. Retention period for development, Operations/logistics, QA, and Sales/Mktg related files is 3 years.

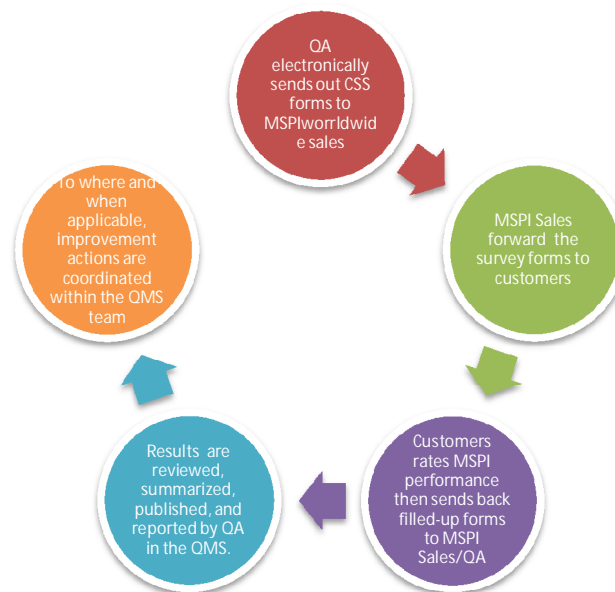
5.0 MANAGEMENT RESPONSIBILITY

5.1 Management Commitment: Top management demonstrates its commitment to the Quality Management System by:

- 5.1.1 Emphasizing customer focus, including regulatory requirements,
- 5.1.2 Establishing the Quality Policy
- 5.1.3 Ensuring that quality objectives are defined at appropriate levels of the organization
- 5.1.4 Participating in quality reviews
- 5.1.5 Ensuring that appropriate resources are assigned to implement the requirements of the QMS

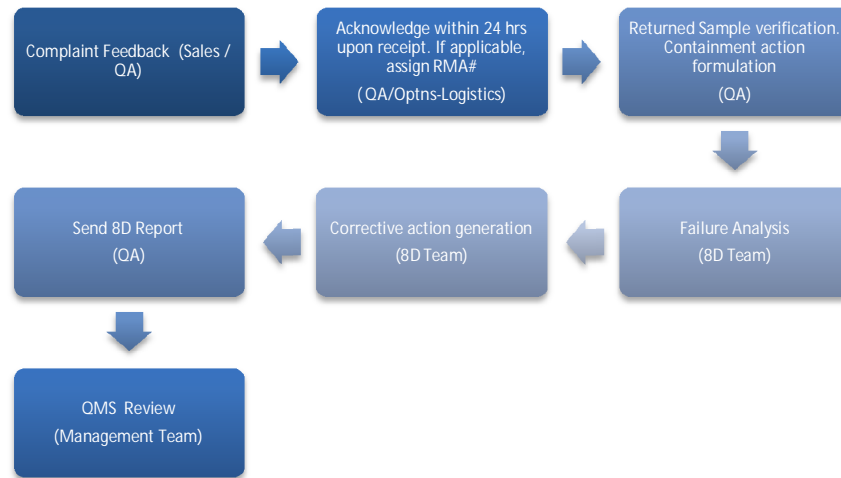
5.2 Customer Focus: Top Management ensures that customer needs and requirements ultimately drive the actions of all employees. Customer needs and requirements are actively solicited at the start of the development of new products and processes. Customer feedback is captured formally through customer surveys, customer visits, seminars, and informally through field feedbacks, exhibitions, and others.

The Customer Satisfaction Survey (CSS) program is managed by QA where survey forms are sent to customers thru the MSPI Sales worldwide. Customers are requested to rate MSPI performance in quality, delivery, cost, and service.



CSS Process Flow

The Head of QA is responsible for processing customer complaints. Upon receipt, every complaint is evaluated and acknowledged within 48 hrs. When relevant, it is communicated to the concerned function. An 8D team is formed and composed of concerned personnel from affected functions to generate the course of actions. Within 10 days, the initial customer complaint response in 8D report format will be sent to the customer. Customer complaints and the relevant corrective and preventive actions are part of the quality metrics presented in the QMS review



Customer Complaint Processing Flow

5.3 Quality Policy:

“MSPI is committed to exceeding customer expectations by delivering dependable, defect-free products, on time, every time and to provide exceptional customer service”.

Our quality management system sets the agenda to achieve these goals for all activities and contracted services. We achieve this through partnerships with customers, suppliers and stakeholders, using industry accepted leading technologies and methodologies. The quality system is based on ISO 9001v:2008 requirements.

MUSIC Semiconductors believes in the following statements on Quality :

- Quality is synonymous with the strategies, systems, values, and goals of MUSIC business.
- Quality is the most important determinant of profit.
- Quality and continuous improvement are the tasks of everybody in the company.
- Customer satisfaction from product design, functionality and reliability through delivery, and after-sales service, is the most important metric of Quality.

5.4 Quality System Planning

5.4.1 Quality objectives: MSPI Management establishes/reviews the quality objectives at the end of every calendar year. Any Quality objectives that may be defined shall be measurable and consistent with the Quality Policy. Per function quality objectives are part defined in the departmental manual. It is approved by MSPI Management and reviewed at management review meetings as needed.

5.4.2 Quality management system planning:

- 5.4.2.1 Quality planning is done when establishing or changing the quality management system, quality policy, quality objectives, company organization, market, etc.
- 5.4.2.2 Top management shall ensure the Quality planning is carried out in order to meet the quality system requirement. Quality planning shall include quality objectives, resources needed, regular review and improvement.

5.5 Responsibility, Authority, and Communication

- 5.5.1 Responsibility and Authority: The Top management ensures the responsibilities, authorities and their interrelation are defined and communicated within the organization. The organization chart illustrated in Appendix A. The specific functions responsibilities are outlined in Appendix B.
- 5.5.2 Management Representative (MR): MUSIC appoints as the Management Representative the Head of Quality. The Management Representative has the authority and responsibility to:
 - 5.5.2.1 Ensure that the quality management system is implemented, maintained and continually improved
 - 5.5.2.2 Promote awareness of customer requirements throughout the organization.
 - 5.5.2.3 Report to the top management on the performance of the quality system, including needs for improvement
 - 5.5.2.4 Liaison with external parties on matters relating to the Quality Management System
- 5.5.3 Internal Communication: Top management ensures that appropriate communication processes are established at different functions and levels within MSPI and that communication takes place regarding the effectiveness of the quality management system, including quality requirements, quality objectives and implementation. Communication are done within MSPI thru the periodic reports, regular meetings, special meetings, daily e-mail correspondence, etc

5.6 Management Review

- 5.6.1 Management conducts periodical quality management reviews (QMS) of the quality system. The review evaluates the suitability and effectiveness of the system, identifies opportunities for improvement, and considers the need for changes to the quality policy and quality objectives. Results of the review are documented.

Critical quality metrics are presented using systematic methods of problem recognition through trend charts, goals setting, Pareto chart, problem summary sheets and verification of actions over time. The review covers all metrics that are deemed critical to MSPI operations.

5.6.2 Review input: Input into the management reviews consists of information and data related to quality performance of the organization as well as performance of Suppliers. At the minimum, this includes:

- 5.6.2.1 Results of audits,
- 5.6.2.2 Customer feedback and complaints
- 5.6.2.3 Process/product performance conformance data
- 5.6.2.4 Product delivery performance
- 5.6.2.5 Status of preventive and corrective actions
- 5.6.2.6 Any changes that could affect the quality system,
- 5.6.2.7 Follow-up actions from earlier management reviews,
- 5.6.2.8 Recommendations for improvement.

5.6.3 Review Output: Outputs from the quality management reviews shall include, as applicable, any decisions and related actions taken to.

- 5.6.3.1 Improve effectiveness of the quality management system and its processes;
- 5.6.3.2 Improve product related to customer requirements;
- 5.6.3.3 Personnel, equipment and material resource needs.

6.0 RESOURCE MANAGEMENT

6.1 Provision of Resources : Management is committed to provide adequate resources for the implementation and improvement of the quality system, and for addressing customer satisfaction.

6.2 Human Resources : MSPI is composed of highly qualified personnel equipped with the appropriate education, experience and or training to efficiently meet the changing demands of his or her functions.

6.2.1 Competence, training and awareness

- 6.2.1.1 MSPI determines the necessary competence for personnel performing functions affecting conformity to product requirements,
- 6.2.1.2 where applicable MSPI provides necessary training or takes other actions to achieve the necessary competence. HR evaluates the effectiveness of the training activities received,
- 6.2.1.3 MSPI ensures that its personnel are aware of the relevance and importance of their activities and how they contribute to the achievement of the quality objectives, which is an element of Quality System Training for each employee,
- 6.2.1.4 the HR department maintains appropriate employee records, including records of education, training, skills and experience.

6.3 Infrastructure and Work Environment: MSPI identifies, provides and maintains the infrastructure needed to achieve conformity to product requirements which include offices/workspaces and associated communication infrastructure , equipments both software and hardware and supporting services.

7.0 PRODUCT REALIZATION

7.1 Planning of product realization processes includes determination of quality objectives for products; development of required processes and process documentation; and establishment of product verification. The plan also defines requirements for records necessary to demonstrate process and product conformity.

7.2 Customer Related Process:

7.2.1 MSPI determines the requirements related to the products including:

7.2.1.1 Customer specified requirements, including delivery and post- delivery requirements.

7.2.1.2 Requirements not stated by the customer but necessary for specified or intended use.

7.2.1.3 Statutory and regulatory requirements applicable to the product.

7.2.1.4 Any additional requirements considered necessary by MSPI.

7.2.2 MSPI reviews the requirements related to the products including:

7.2.2.1 Sales, Engineering, Operations and Quality will review as needed the requirements related to products prior to customer commitment, to ensure MSPI has the ability to meet the defined requirements.

7.2.2.2 The results of the review and actions arising from it shall be recorded (by paper or electronically) and maintained on file by the responsible department.

7.2.2.3 When customer requirements are changed, Sales shall ensure that relevant documents are amended and affected personnel/departments are made aware of the changed requirements.

7.2.3 Customer Communication: MSPI communicates with customers in a wide variety of forms:

7.2.3.1 Direct discussions by the Sales

7.2.3.2 Telephone, fax, and e-mail at all levels of the organization

7.2.3.3 Website, press release and advertisements

7.2.3.4 Customer feedback on the performance of our products and services is also collected, both formally and informally. This feedback drives improvements, as necessary.

7.3 Product Design and Development

7.3.1 Design and Development Planning: Design/Development department have been designated by MSPI management to design and develop those products that have been identified by

Management, Marketing and Sales as meeting the needs of its market. Market research is promoted in the product planning stage to understand market and customer requirements for new product from viewpoints such as technological requirements, quality, reliability, cost, and time to market.

7.3.2 Design and Development Inputs:

7.3.2.1 Summary of market/customer requirements and products

7.3.2.2 Functional and performance requirements, as indicated in the Functional Product Specification (FPS),

7.3.2.3 applicable statutory and regulatory requirements, if applicable.

7.3.2.4 where applicable, information derived from previous designs.

7.3.2.5 other requirements such as capabilities of the organization's subcontractors and suppliers manufacturing/testing processes.

7.3.3 Design and Development Outputs:

7.3.3.1 The results of design process are documented and expressed in measurable characteristics.

7.3.3.2 Design documentation shall cover applicable requirements, calculations, analysis, and expected results,

7.3.3.3 Design output meets all initial design input requirements, indicate acceptance criteria, and identify any characteristics of the design that are crucial to manufacturing and functionality of the product

7.3.4 Design and Development Review: At appropriate stages of the design and development process, documented reviews of the design results are planned and conducted. Participants in these reviews include representatives of the functions concerned with the design process. Records of these reviews are maintained.

7.3.5 Design and Development Verification: At suitable stages of the design/development process, verifications are done using design simulation tools, comparing a new design with a known standard parameters, undertaking special tests, review of design documentation, etc., as part of design verification review. The design verification is performed to ensure that the design output meets the Design Input requirements.

7.3.6 Design and Development Validation : The validation (qualification/characterization) is performed in accordance with planned arrangements to ensure that the resulting product is capable of fulfilling the requirements for the specified application. Validation is completed prior to the any production builds of the product. Results of validation are recorded and maintained.

7.3.7 Control of Design and Development Changes: Any product specification changes to a qualified device because of datasheet specification changes, process or yield enhancements, etc., are reviewed for approval by applicable departments prior to implementation. When applicable, customers will be notified of the changes that affect a product's form, fit and function thru the MSPI Product Change Notification (PCN) procedure.



7.4 Purchasing

7.4.1 Purchasing Process: It is MSPI's policy to select suppliers and make purchases based on technological capabilities, quality, service, delivery, price, environmental, and legal/regulatory considerations. The primary responsibility for identification of potential suppliers and for monitoring and continuously improving supplier performance rests with QA .

MSPI evaluates and selects suppliers based on their ability to supply product in accordance with the requirements. Criteria for selection, evaluation and re-evaluation have been established, and records of the results of evaluations and any necessary actions arising from the evaluation are maintained.

7.4.2 Purchasing Information: All purchased materials and services required for the development/manufacture of products are the subject of purchase orders which contain the data necessary to clearly describe the product or service being ordered. These purchasing documents are processed, reviewed, and approved according to defined procedures.

7.4.3 Verification of Purchased Product: MSPI establishes and implements the inspection or other activities necessary for ensuring that purchased product meets specified purchase requirements. Inspection Records are maintained.

Where MSPI intends to perform verification at the supplier's premises, the intended verification arrangements and method of product release are stated in the purchasing document.

7.5 Manufacturing and Service Provision

7.5.1 Control of Production and Service Provision

7.5.1.1 Manufacturing processes and equipment shall be maintained, controlled and approved by each applicable subcontractor; process/equipment changes shall be documented, and MSPI notified of any modification that could affect the fit, form, function or Quality/Reliability of the product.

7.5.1.2 Processes controlled within MSPI includes the following, as applicable:

7.5.1.2.1 Documented specifications defining the characteristics of the products.

7.5.1.2.2 Use of suitable work instructions , as necessary.

7.5.1.2.3 Implement activities of release, delivery and post-delivery.

7.5.2 Validation of Manufacturing Process and Service Provision: MSPI would validate any processes for production and service provision where the resulting output cannot be verified by the standard monitoring or measurement, and as a result impact on the product quality and reliability becomes apparent only after the product is in use or has been delivered. However at this time there are no such "Special Processes."

7.5.3 Product Identification and Traceability

7.5.3.1 Product Marking Identification:

7.5.3.1.1 MSPI devices are identified with a unique part number, manufacturing date code and lot number.

7.5.3.1.2 The MSPI logo shall be marked on each device.

7.5.3.2 Product Traceability Paperwork:

7.5.3.2.1 Lot travelers shall contain lot number traceability as generated by MSPI for the supplier use. Quality Records of these are

maintained by the supplier.

7.5.3.2.1 MSPI lot numbers provides traceability back to wafer lot numbers and assembly lot numbers.

7.5.3 Customer Property: If there are customer supplied materials/properties, MSPI would exercise care with customer property while it is under its control. MSPI will identify, verify, protect and safeguard customer materials/properties provided for use or incorporation into the product. However at this time there are no such "Customer Supplied Materials/Properties."

7.5.4 Preservation of Product

7.5.1. MSPI preserves the product during internal processing and delivery to the intended destination in order to maintain conformity to requirements

7.5.2. Throughout the stages of the manufacturing process, inspection, assembly, testing, and packaging, precautions are taken to ensure that the product is not damaged through inappropriate handling. ESD-safe handling procedures and materials are used.

7.5.3. Designated storage areas and stock rooms are used to prevent damage or deterioration of material and products pending use or delivery. Processes for receiving material and products into and dispatching products out of storage areas are defined.

7.5.4. Products ready for shipment are packaged in MSPI-approved containers and addressed per the instructions on the order list. Precautions are taken to ensure that products are not damaged through inappropriate handling. Temperature and Humidity of all storage areas from inspection to packaging/shipping are controlled to prevent product damage or deterioration

7.6 Control of Monitoring and Measuring Equipment

7.6.1 The objective of performing regular maintenance and calibration on equipment and instruments is to detect and correct changes in the apparatus so as to ensure process control and measurement accuracy. MSPI ensures, through its manufacturing suppliers, on the equipment used to manufacture of MSPI products. Where necessary, equipment used for inspecting/measuring/testing of product to be shipped to MSPI customers or for determining data sheet product characteristics are calibrated on a regular schedule with standards of sufficient accuracy traceable to the National Institute of Standards and Technology (NIST) or equivalent National and International Standards.

7.6.2 The Supplier head of Calibration department or designate of affected functions is responsible for identifying the measurements required at their operations and for selecting the appropriate inspection, measuring, and test equipment, test software, and comparative references (such as test hardware, fixtures, and gauges) that are

capable of providing the required measurement accuracy before they are released for production use. This person is also responsible for identifying the need for calibration of such equipment and for ensuring that equipments requiring calibration is in fact properly calibrated on a regular schedule.

7.6.3 Where necessary, equipment used for inspection, testing, and measurement to demonstrate conformance of product to specified requirements is controlled, calibrated, and maintained. This equipment shall be periodically checked and records of the checks are maintained. Software used for production testing or calibration is under revision control.

8.0 MEASUREMENT, ANALYSIS, and IMPROVEMENT

8.1 MSPI plans and implements the monitoring, measurement, analysis and improvement processes needed to demonstrate and ensure the conformity of the product, quality management system and continually improve the effectiveness of the quality management system.

8.2 Monitoring and Measurement

8.2.1 Customer Satisfaction : MSPI employs different methods in monitoring the customer satisfaction. These include:

8.2.1.1 Formal customer satisfaction surveys

8.2.1.2 Customer visits

8.2.2 Internal Audit

8.2.2.1 Periodic audits are performed to monitor and verify compliance with the procedures and methods that establish and define the Quality Management System. The audits cover the applicable elements of the ISO 9001 standards and, where applicable, subcontractor management and other MSPI internal requirements.

8.2.2.2 Internal auditor is independent of the activity being audited. Results of the internal audits are documented, and copies of the audit reports are provided to the managers of the departments audited. Department managers are responsible for deciding on appropriate corrective action in a timely manner or documenting/explaining why no action is required. Copies of audit reports and reports of corrective action taken to correct deficiencies are maintained by the QA department. Follow-up audits record the implementation and effectiveness of the corrective action taken. The results of internal audits are one of the inputs to the periodic management reviews. Audits are planned and scheduled on the basis of the status and importance of the activity.

8.2.3 Monitoring and Measurement of Processes: MSPI Manufacturing Suppliers identifies, plans, and ensures that production processes directly affecting product quality are done under

controlled conditions. Corrective and preventive action is taken to ensure the conformity of the products and continual improvement

8.2.4 Monitoring and Measurement of Product: MSPI's Manufacturing Suppliers monitors and measures the characteristics of the product to verify that product requirements are fulfilled. This is carried out at appropriate stages of the product manufacturing process in accordance with the planned arrangements which are detailed on the lot traveler. Evidence of conformity with the acceptance criteria is maintained. The data is recorded on QA records specific to each product. These records indicate the person(s) authorizing release of product. The release of product does not proceed until all the planned arrangements have been satisfactorily completed.

8.3 Control of Non-conforming Product: Nonconforming products are identified, documented ,evaluated and prevented from being used and shipped. When appropriate, corrective and preventive actions are implemented to prevent recurrence of identified nonconformities.

8.3.1 Nonconforming materials or products are segregated from the rest of the lots and held at the designated HOLD area to ensure that no mixing occurs.

8.3.2 Products that do not fully comply with the specified requirements can not be shipped. When defects do not compromise the form, fit and function of products, customers may be notified and asked for authorization to ship.

8.3.3 Material Review Board (MRB): the MRB is established to review, analyze and process nonconforming materials reported by the MSPI manufacturing partners. The MRB ensures that all decision are made in accordance with sound engineering principles, competent, qualified personnel to resolve, provide corrective actions for and prevent the recurrence of the discrepancies.

8.3.4 MSPI may handle nonconforming material in the following ways:

8.3.3.1 Take action to eliminate any detected and confirmed nonconformity;

8.3.3.2 Authorize its use, release or acceptance after management approval and, where applicable, by the customer.

8.3.3.3 Take necessary action to prevent its use in the original intended application

8.3.3.4 Re-verification to be done after rework, rescreen or other actions taken.

8.4 Analysis of Data

8.4.1 MSPI determines, collects and analyzes appropriate data to demonstrate the suitability and effectiveness of the quality management system and to evaluate where continual improvement of the quality management system can be made. This includes data generated as a result of monitoring and measurement and from other relevant sources. The analyses are reviewed during the periodic management review meeting. The analysis of data provides information relating to:

8.4.1.1 Customer Satisfaction

8.4.1.2 Conformance to product requirements

8.4.1.3 Characteristics and trends of processes and products including opportunities for preventive action,

8.4.1.4 Supplier's performance.

8.5 Improvement

8.5.1 Continual Improvement: MSPI works on an on-going basis to improve the effectiveness of its Quality Management System through management review of: Quality Policy, quality objectives, audit results, analysis of data, corrective and preventive actions, etc. Any improvements will be documented as part of Management Review

8.5.2 Corrective and Preventative action: MSPI establishes, implements and maintains documented procedures to initiate corrective and preventive actions for conditions adverse to quality.

8.5.2.1 Corrective action procedures define the requirements for:

8.5.2.1.1 Reviewing nonconformities (including customer complaints)

8.5.2.1.2 Determining causes of nonconformities

8.5.2.1.3 Evaluating the need for action to ensure that nonconformities do not recur.

8.5.2.1.4 Determining and implementing the action needed

8.5.2.1.5 Records of the results of action implemented;

8.5.2.1.6 Review of corrective action implemented.

8.5.2.2 Preventive action procedures define the requirements for:

8.5.2.2.1 Determining potential nonconformities and their causes

8.5.2.2.2 Evaluating the need for action to prevent occurrence of nonconformities

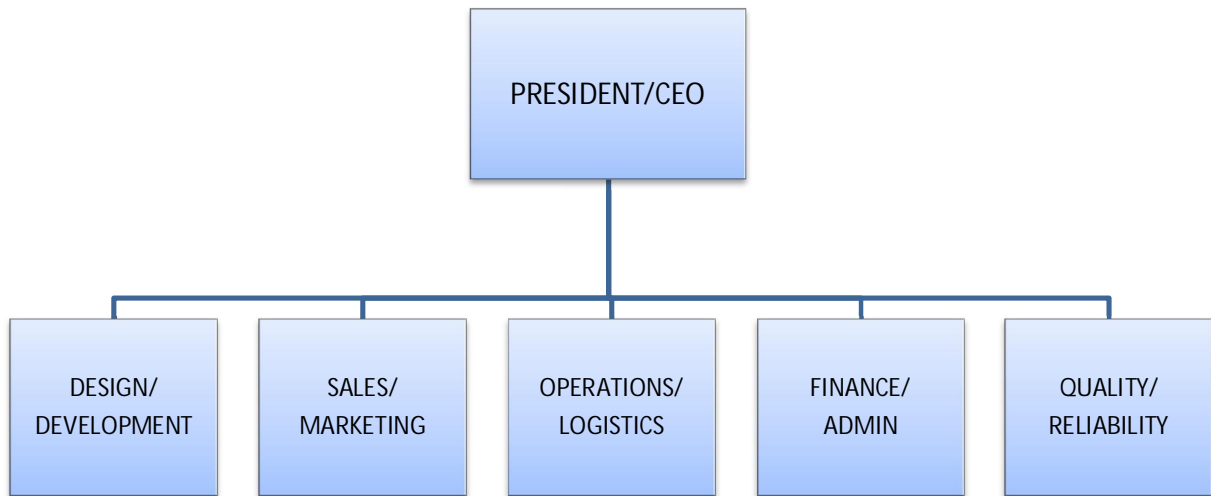
8.5.2.2.2 Determining and implementing the action needed

8.5.2.2.3 Records of the results of action implemented

8.5.2.2.4 Review of the effectiveness of the preventive action implemented.

APPENDIX A

MSPI ORGANIZATIONAL STRUCTURE



APPENDIX B

Responsibilities and Authorities

Management

1. Formulates corporate vision, mission and quality policy.
2. Total supervision of all operational functions covering product planning and development, logistics and operations, quality assurance, sales and marketing, and field application support engineering.
3. Development and implementation of business strategies
4. Approves annual budget and business plan.
5. Complete P & L responsibility.
6. Management of day to day MSPI operations.
7. Provides resources for quality system maintenance.
8. Long-range goals and objectives for business and quality initiatives
9. Participates in quality management system reviews.

Quality Assurance

1. Establishes and maintains the quality management system
2. Audits implementation and effectiveness of the quality system
3. Identifies opportunities for improvement of the quality system
4. Develops quality plans and control plans
5. Initiates corrective and preventive actions
6. Carries out Supplier quality management activities
7. Maintains and coordinates the maintenance of quality records
8. Coordinates collection of quality performance data
9. Participates in advanced quality planning
10. Coordinates product qualification and reliability testing
11. Product environmental regulatory conformance
12. Participation to new product introduction activities
13. Product qualification
14. Customer quality liaison
15. Customer satisfaction surveys
16. Customer complaints processing
17. Establishes procedures that will assure product quality
18. Conducts Quality System Management reviews .
19. Conducts/coordinates manufacturing yield improvement initiatives.
20. Product reliability monitoring

Operations and Logistics

1. Product packing and labelling
2. Plant clearance activity
3. Order entry processing
4. Receives purchased products
5. Plans and schedules production
6. Maintains a system to monitor ship-out performance versus plan
7. Monitors cycle time from wafer fab, assembly ,and test
8. Participates in advanced quality planning
9. Coordinates with wafer fab and assembly Suppliers on production
10. Administrates stockroom, packing/labelling of products and shipment to Customers.

Product Development

1. Product roadmap definition
2. Product design initiatives
3. Project plans, execution, and achievement of project objectives for new product development projects
4. Management and coordination of product development activities with service contractors.
5. Monitoring of development process to ensure critical product development stages are validated vs the required specifications and or standards using the appropriate simulation tools.
6. Communicates product development status to management team.

Sales and Marketing

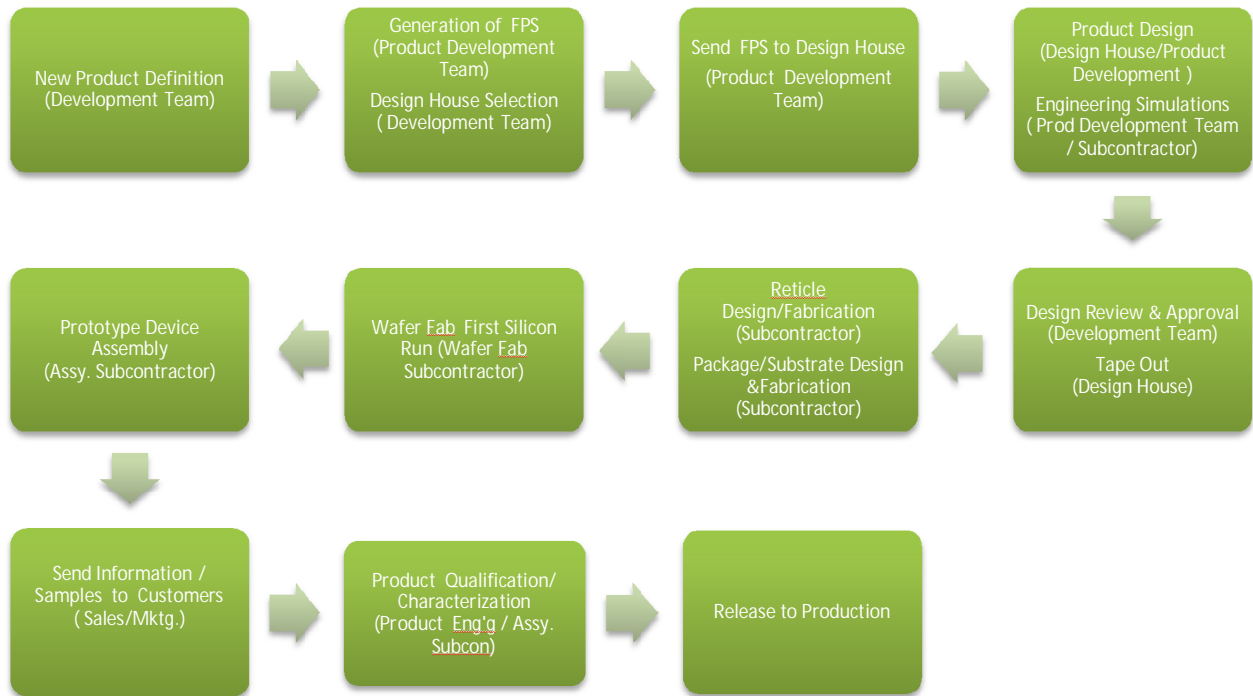
1. Formulation and implementation of strategic and tactical sales and marketing plans
2. Develop relationships with existing clients and maximize revenue potential.
3. Develop existing marketing activities to ensure awareness of the company among all target groups.
4. Work toward building the overall strength and performance of the sales and marketing team .
5. Communicates with potential clients through various channels, including webinaire, go-to-meetings , etc.
6. Review existing online marketing strategy, suggest and implement Improvements

Finance and Admin

1. Corporate finance and treasury management
2. Employee motivational programs
3. Training and development
4. Employee recruitment and selection

APPENDIX C

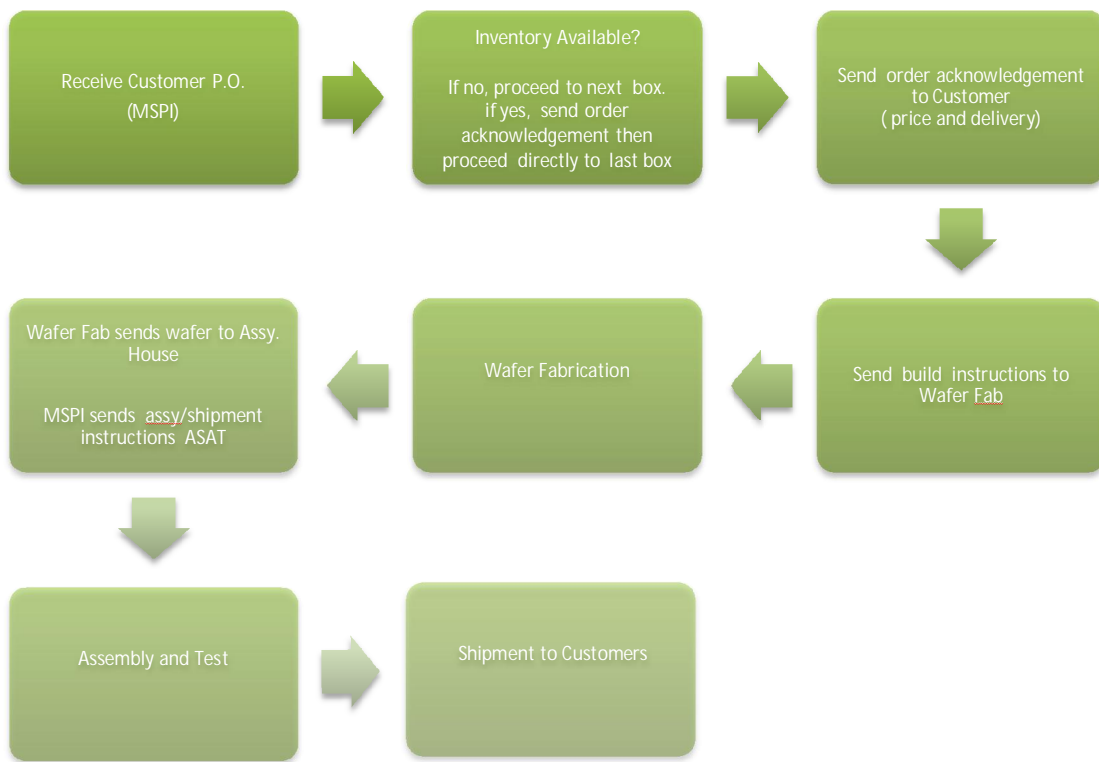
PRODUCT DEVELOPMENT PROCESS FLOW



APPENDIX D

MANUFACTURING PROCESS FLOW

HARRP & RCP/LANCAM Devices



APPENDIX E

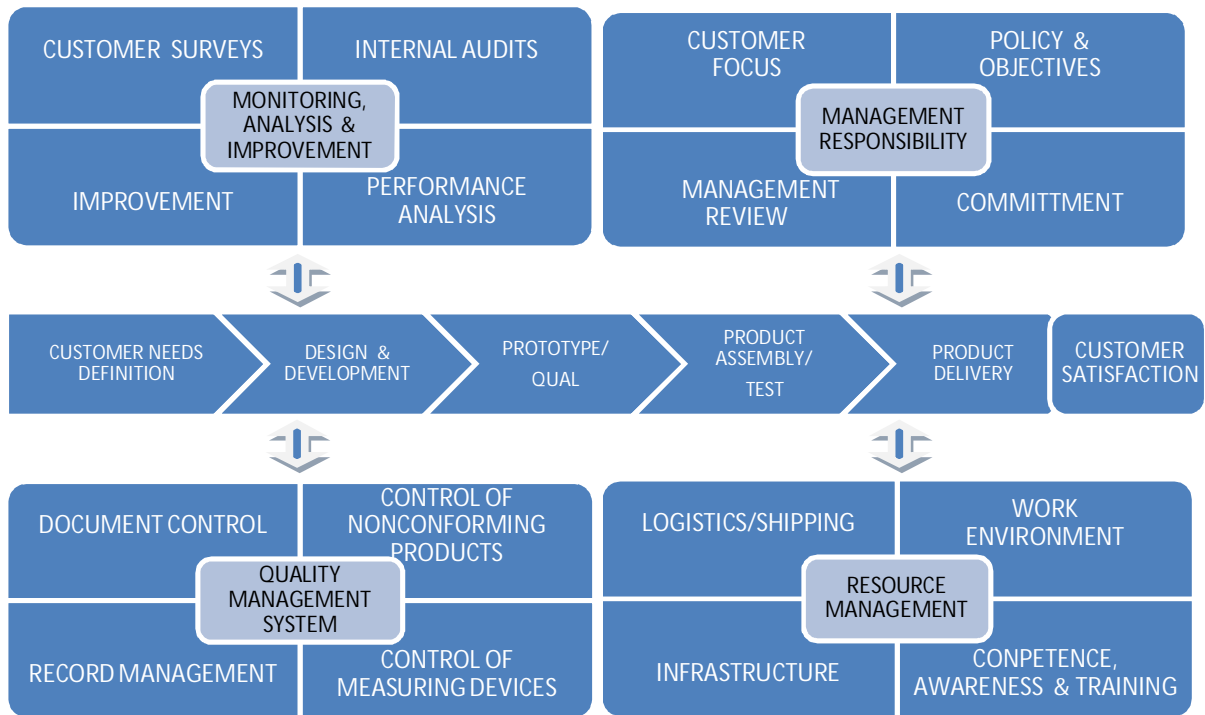
MANUFACTURING PROCESS FLOW

FLEXHARRP Devices



APPENDIX F

Interactions of Quality Management System with Product Development Processes.



REVISION SHEET

REV.	CHANGE NOTICE NO.	REVISED BY	DATE	DETAILS OF REVISION
11	000041	T Custodio	26 Apr 00	General Update. Updated to current organization and activities. Implementation Date – 18 May 00.
12	010074	T Custodio	05 Apr 01	Complete revision to conform to the new ISO 9001 version 2000 standard. Implementation Date – 14 May 01.
13	020090	T Custodio	03 May 02	Update to current organization structure. Change of job titles. Implementation Date – 24 May 02
14	030039	J Topacio	16 May 03	Update to current organizational structure. Implementation Date – 23 May 03.
15	040036	J. Topacio	09 Aug 04	Update to current organizational structure. Implementation Date – 11 Aug 04.
16	040086	J Topacio	11 Nov 04	Update to reflect the periodic QOS meeting requirement. - Implementation Date – 11 Nov 04
17	050016	J Topacio	16 May 05	Update to current organizational structure. Implementation Date – 16 May 05.
18	050031	J Topacio	16 June 05	Revise to reflect Test Operations organizational changes. Implementation Date – 17 June 05
19	060015	J Topacio	06 May 06	Changed to include scope in section 2 and revise General Policy in section Implementation date – 08 May 06
20	070016	J Topacio	09 May 07	Revise to update organizational chart. Implementation Date – 16 May 07
21	070051	J Topacio	12 July 07	Revise to update item 5.5 to include separate provision for facilities/TEE. Implementation date – 12 July 07
22	080029	J Topacio	16 June 08	Revise to update organizational structure. Implementation Date. 23 June 08
23	100001	J Topacio	04 Feb 10	Complete revision to reflect full outsourced business model and update to comply with the ISO9001 version 2008 requirements – Implementation Date- 15 Mar 10