



Rapport Business Manual

BM-9001-2015

Revision 2

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www.rapportin.com

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Rapport Inc. Business Management Manual

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1.0 BMS Purpose and Scope:

This Business Management manual contains retained information of the Quality System, quality policy, and quality objectives implemented at Rapport Inc., located at 13180 West 43rd Drive, Golden, Colorado 80504-7232. Additional general company information may be obtained at Rapport Inc. website: www.rapportinc.com.

This manual provides specific policies and maintained information to ensure that all interested parties understand what is used to demonstrate customer satisfaction with respect to our product and services with continuous improvement built in. The scope of ISO registration applies to the manufacture, marketing, sales, purchasing, shipping and receiving of interconnecting cables, wire harness, wire assemblies, electro-mechanical assemblies, batteries and custom battery assemblies and exact wording can be found on our current ISO certificate. It is essential that we provide the highest quality products and service in order to earn and maintain the confidence of our customers.

The Chief Executive Officer approves this manual. This manual and all supporting documents support the ISO 9001 International Quality Standard, ANSI/ASQC 9001-2015.

2.0 Normative References:

- N/A.

3.0 Terms and Definitions:

- Context of the organization - Combination of internal and external issues that can have an effect on the organization's approach to development and achieving its objectives.
- Interested party - stakeholder person or organization that can affect, be affected by, or perceive itself to be affected by, a decision or activity.
- Customer – Person or organization that could or does receive a product or service that is intended for or required by this person or organization.
- Provider – Supplier organization that provides a product or service.
- External Provider – External provider that is not part of the organization.
- Improvement – Activity to enhance performance.
- Continual Improvement – Recurring activity to enhance performance.
- Management – Coordinated activities to direct and control an organization.
- Quality Management – Management with regard to quality.
- Quality Planning – Part of the quality management focused on setting quality objectives and specifying necessary operational processes and related resources to achieve the quality objectives.
- Quality Improvement – Part of the quality management focused on increasing the ability to fulfil quality requirements.



- Configuration Management – Coordinated activities to direct and control configuration.
- Change Control – Activities for control of output after formal approval of its product configuration information.
- Process – Set of interrelated or interacting activities that use inputs to deliver an intended result.
- Procedure – Specified way to carry out an activity or a process.
- Outsource – make an arrangement where an external organization performs part of the organization function or process.
- Strategy – Plan to achieve a long term or overall objective.
- Objective – Result to be achieved.
- Quality Objective – Objective related to quality.
- Product – Out of an organization that can be produced without any transaction taking place between the organization and the customer.
- Service – Out of an organization with at least one activity necessarily performed between the organization and the customer.
- Effect of Uncertainty - An effect is a deviation from the expected.
- Objective Evidence – Data that is supporting the existence or verify of something.
- Document – Information and the medium on which it is contained.
- Documented Information – Information required to be controlled and maintained by an organization and the medium on which it is contained.
- Business Manual – Specification for the Business management system of an organization. Note that the business manual can vary in detail and format to suit the size and complexity of an individual organization.
- Quality Plan – Specification of the procedures and associated resources to be applied when and by whom to a specific object.
- Record – Document stating results achieved in providing evidence of activities performed.
- Competence – Ability to apply knowledge and skills to achieve intended results.
- Measurement – Process to determine value
- Measurement Process – Set of operations to determine the value of a quantity.
- Management Review – Is a regular systematic evaluation of the suitability, adequacy, effectiveness and efficiency of the quality management system.
- Product Realization – *Is a set of interacting processes designed to produce a product or service and fulfill the customer's requirements.*

4.0 Context of the Organization:

4.1 Understand the organization and its context:

Rappor shall determine external and internal issues that are relevant to its purposes and its strategic direction and that affect its ability to achieve the intended result(s) of the business management system. Rappor shall monitor and review information about these internal and external issues.



4.2 Understanding the needs and expectations of interested parties:

Due to their effect or potential effect on the organization's ability to consistently provide products and services that meet customer and applicable statutory and regulatory requirements, the organization shall determine:

- All interested parties that are relevant to the Business Management System.
- The requirements of these interested parties are relevant.
- Rapport shall monitor and review information about these interested parties and their relevant requirements.

4.3 Determining the scope of the Business Management System.

The organization shall determine the boundaries and applicability of the business management system to establish its scope. Rapport shall consider (when determining the scope), the external and internal issues referred to in section 4.1 of the ISO 9001-2015 standard, along with the requirements of relevant interested parties referred to in section 4.2 of ISO 9001-2015, along with the products and services of the organization. Our scope of the business management system shall be available and be maintained as documented information. Our scope shall state the type of products and services covered and provide justification for any requirement of the ISO 9001-2015 standard that we determine is not applicable to the scope of the business management system.

4.4 Business management system and its processes.

4.4.1 Rapport has established, maintains, and continually improves the business management system including the processes needed to run the business, and their interactions in accordance with the requirements of the International Standard. Rapport shall determine the processes needed (to run the business) for the business management system and their application throughout the organization and shall:

- Determine the inputs required and the outputs expected from these processes.
- Determine the sequence and interaction of these processes.
- Determine and apply the criteria and methods (including monitoring measurement and related performance indicators) needed to ensure the effective operation and controls of these processes.
- Determine the resources needed for the processes and ensure their availability.
- Assign the responsibilities and authorities for these processes,
- Address the risk and opportunities as determined in accordance with the requirements of 6.1
- Evaluate these processes and implement any changes needed to ensure that these processes achieve their intended results.
- Improve the processes and the business management system.

4.4.2 To the extent necessary, Rapport shall maintain documented information to support the operations of its processes. Rapport will retain documented information to have confidence that the processes are being carried out as planned.



5.0 Leadership:

5.1 Leadership and commitment:

5.1.1 General

Top management at Rapport Inc. shall demonstrate leadership and commitment with respect to the business management system by:

- Taking accountability for the effectiveness of the business management system.
- Ensuring the quality policy and quality objectives are established for the business management system and are compatible with the context and strategic direction of Rapport.
- Ensuring the integration of the quality management system requirements into the business processes.
- Promoting the use of the process approach and risk base thinking, ensuring that the resources needed are available, that it achieves its intended results, and that we are engaging, communicating, directing and supporting persons to contribute to the effectiveness of the Business Management System.

5.1.2 Customer Focus:

Our Top management at Rapport shall demonstrate leadership and commitment with respect to customer focus by ensuring that customer and applicable statutory requirements are determined, understood, and consistently met. The risks and opportunities that can affect conformity of product and services and the ability to enhance customer satisfaction are determined and understood. The focus in enhancing customer satisfaction is maintained.

5.2 Policy:

5.2.1 Establishing the quality policy:

Our Quality policy is: “At Rapport we will provide our customers with product and services that perform to their specifications, delivered on time, and at a competitive price. We will diligently pursue practices which meet and or exceed these objectives. Rapport will strive to continually review and improve our quality management process, thereby insuring stability and future growth for the company and all interested parties.”

Rapport’s quality Process:

- Provides a framework for setting quality objectives.
- Is appropriate to the purpose and context of the organization and supports its strategic direction.
- Includes a commitment to satisfy applicable requirements,
- Includes a commitment to the continual improvement of the quality management system.

5.2.2 Communicating the quality policy

- Available and maintained as documented information.
- Is communicated, applied, and understood within the organization
- Is made available to relevant interested parties, as appropriate.

5.3 Organizational roles, responsibilities and authorities.



Here at Rapport, top management ensures that the responsibilities and authorities for relevant roles are assigned, communicated, and understood with the organization. Top management as assigned the responsibility and authority for:

- Ensuring the quality management system conforms to the requirements of the International Standard.
- Ensuring that the processes are delivering their intended outputs.
- Ensuring the promotion of customer focus throughout the organization.
- Ensuring the integrity of the quality management system is maintained when changes to the quality management system are planned and implemented.
- Reporting on the performance of the quality management system and on opportunities for improvement in particular to top management,

6.0 Planning:

6.1 Actions to address risks and opportunities:

6.1.1 When planning for the business management system, we consider the issues referred to in the standard clause 4.1 and the requirements referred to in 4.2. We have various types of quality planning at Rapport, Inc. All types of planning are reviewed with the issues referred to in clause 4.1 and 4.2 to determine the risks and opportunities that need to be addressed.

- Product Planning is in response to an identified market or customer need. The customers design process controls the development process for new products. The procedure is used to help identify customer requirements and to ensure our internal capability to meet those requirements.
- Project Planning is a process where opportunities for continual improvement or problems that are identified and a plan are developed accordingly. These plans address preventive measures involving the quality process or service improvement. Projects are initiated as the result of input from any and all employees and may come from, but are not limited to, areas such as performance goals, department targets, and plans because of strategic planning.

These actions give assurance that the business management system can achieve its intended result(s), achieve improvements, prevent or reduce undesired effects, and enhance desirable effects.

6.1.2 Rapport plans:

- Actions to address these risks and opportunities.
- Integrate and implement the actions into the business management systems processes and evaluate the effectiveness of these actions (Our internal audits).
- These actions taken will address risks and opportunities and be proportionate to the potential impact on the conformity of product and services.

6.2 Quality objectives and planning to achieve them:

Rapport has the following quality objectives defined:



- Be certified to the ISO 9001 2015 standard and be operating under that standard by December 31st 2017 and measured by meeting assigned sates on the ISO implementation timeline.
- Eliminate material which is no longer required by our customers from our inventory management system (EVO). This measured by an audit ensuring that all idle inventory of 18 month or more de removed.
- Meet customer expectations and requirements as it relates to quality level, pricing, on-time delivery and support. This will be measure by scoring a 4 or above on the customer surrey and or requirement of their respected scorecards

6.2.1 Rapport has established quality objectives at relevant functions, levels and has processes needed for the quality management system. These quality objectives are:

- Consistent with our quality policy
- Measureable, monitored, updated as appropriate, and communicated.
- Take into account applicable requirements
- Relevant to conformity of products and services and to enhancement of customer satisfaction.
- Maintained documented information of these quality objectives.

6.2.2 When planning how to achieve our quality objectives, we determine what will be done and what resources are required. We also determine who will be responsible, when it will be completed, and how the results will be evaluated.

6.3 Planning of changes:

When Rapport determines the need for changes to the business management system we carry out these changes in a planned manner. We take into account the purpose of the change and its potential consequences, the availability of resources, allocation or reallocation of responsibilities and authorities, and the integrity of the quality / business management system.

7. Support

7.1 Resources:

7.1.1 General:

Rapport determines and provides the resources needed for the establishment implementation, maintenance, and continual improvement of the business management system,

7.1.2 People:

Resources are determined and provided that they are necessary to implement and maintain the business management system, and for the operation and control of its processes. Our hiring process is established to ensure that all personnel are competent based on their education, training, skills and or prior experience.

7.1.3 Infrastructure:



Top management team determines, provides and maintains the infrastructure necessary for the effective implementation of its processes and to achieve conformity of products and services. We provide workspace and associated utilities to meet the business needs of the company. Provisions are provided for the suitable equipment, tools and software for manufacturing, inventory, finance, and administrative processes. Maintenance of the manufacturing equipment is performed per the manufacturer's specifications or customer requirements to ensure equipment is capable of achieving conformity of processes and product.

- Supporting services such as shipping or transport, internet service, document disposal and building security.
- Resources needed to maintain the infrastructure.

7.1.4 Environment for the operation of processes:

We have determined provide and maintain the environment necessary for the operation of its processes and to achieve conformity of products and services: This infrastructure includes but is not limited to:

- Clean, safe workstations/work areas with adequate lighting / ventilation to ensure the health and efficiency of our employees.
- Adequate facilities that includes a lunch/break room, restrooms, outside picnic/break area and a first aid station.
- Employee programs such as 401(K) retirement plan, luncheons, and special events, to motivate and involve employees through social interaction.

7.1.5 Monitoring and measuring resources:

7.1.5.1 General

7.1.5.2 Measurement Traceability

When measurement traceability is a requirement, or considered by Rapport to be an essential part of providing customer confidence in the validity of measurement results, measuring equipment shall be:

- Calibrated or verified, or both, at specified intervals, or prior to use, against measurement standards traceable to international or national measurement standard; when no such standard exist, the basis used for calibration or verification shall be retained as documented information
- Be identified in order to determine their status.
- Safeguard from adjustments, damage, or deterioration that would invalidate the calibration status subsequent measurement results.

Rapport shall determine if the validity of previous measurements results has been adversely affected when measuring equipment is found to be unfit fit its intended purpose, and shall take appropriate action as necessary.

7.1.6 Organizational knowledge:

Rapport shall determine the knowledge necessary for the operations of its processes and to achieve conformity of products and services. This knowledge shall be maintained and be made available to the extent necessary. When addressing changing needs and trends, Rapport shall consider its current knowledge and determine how to acquire or access any necessary additional knowledge and required updates.



7.2 Competence: Rapport Inc., shall:

- Determine the necessary competence of person(s) doing work under its control that effects the performance and effectiveness of the business management system
- Ensure that these persons are competent on the basis of appropriate education, training, or experience.
- Where applicable, take actions to acquire the necessary competence, and evaluate the effectiveness of the action taken.
- Retain appropriate documented information as evidence of competence.

7.3 Awareness:

Rapport shall ensure that the persons doing the work under our control are aware of the quality policy, relevant quality objectives, and their contribution to the effectiveness of the quality and business management systems, including the benefits of improved performance. All personnel shall be aware of the implications of not conforming with the quality and business management systems requirements.

7.4 Communication:

Rapport shall determine the internal and external communication relevant to the business management system including:

- On what to will communicate.
- When to communicate.
- With whom to communicate.
- How to communicate.
- Who communicates.

7.5 Documented Information:

7.5.1 General

Rapports quality and business management systems shall include documented information determined by Rapport as being necessary for the effectiveness of the respected system, along with documented information required by the International standard ISO 9001-2015.

7.5.2 Creating and updating

When creating and updating information, Rapport shall ensure that appropriate format, identification and description and review and approval for suitability and adequately (example: updating and re-approval)

7.5.3 Control of documented information:

7.5.3.1

Documented information required by the business management system and by the ISO 9001-2015 International Standard shall be controlled to ensure it is available and suitable for use, where and when it is needed, and that it is adequately protected.

7.5.3.2 The control of documented information, Rapport shall address the following activities as applicable:

- Distribution, access, retrieval and use.
- Control of changes.



- Retention and disposition.
- Storage and preservation, including preservation of legibility.

Documentation information of external origin determined by Rapport to be necessary for the planning and operation of the business management system shall be identified as appropriate, and controlled.

Documented information retained as evidence of conformity shall be protected from unintended alterations.

8.0 Operations:

8.1 Operational planning and control

Rapport shall plan, implement and control the processes needed to meet the requirements for provision of product and services, and to implement the actions determined in Clause 6 (risk base thinking) by:

- Determining the requirements for product & services.
- Establish criteria for:
 1. The processes;
 2. The acceptance of products and services
- Determining the resources needed to achieve conformity to the product & service requirements.
- Implement control of the processes in accordance with the criteria.
- Determining, maintaining and documented conformation to have the confidence that the processes have been carried out as planned and to demonstrate the conformity to their requirements.

8.2 Requirements for products and services:

8.2.1 Customer communication

Rapport's communication with our customers shall include providing information relating to products and services, handling enquires, contacts or orders (including changes), and obtain customer feedback relating to products and services, including customer complaints. This includes handling or controlling customer property and when relevant, establishes specific requirements for contingency actions.

8.2.2 Determining the requirements for products and services

When determining the requirements for the products and services to be offered to our customers, Rapport shall ensure that these requirements are defined, applicable to and statutory or regulatory requirements, considered necessary, and can meet the claims for products and services offered.

8.2.3 Review of the requirements for products and services

8.2.3.1. Rapport shall ensure that we have the ability to meet the requirements for all products and services offered to our customers. We shall conduct a review before committing to supply these to our customers.

This review will include the requirements for the customer, including delivery, requirements specified by Rapport, contract or order requirements, statutory and regulatory requirements, and when know, requirements not stated by the customer.

8.2.3.2 Rapport will retain documented information as applicable.

8.2.4 Changes to requirements for products and services



Rappor shall ensure that all relevant documented information is amended, and that relevant persons are made aware of the changed requirements whenever the requirements for products and services are changed.

8.3 Design and development of product and services

8.3.1 General

8.3.2 Design and development planning

In determining the stages and controls for design and development when required by the customer, Rappor will consider all the requirements listed in the international standard for ISO 9001-2015, under this section.

8.3.3 Design and development inputs

Rappor will consider all the requirements listed in the international standard for ISO 9001-2015, under this section when required by the customer.

8.3.4 Design and development controls

Rappor will consider all the requirements listed in the international standard for ISO 9001-2015, under this section when required by the customer.

8.3.5 Design and development outputs

Rappor will consider all the requirements listed in the international standard for ISO 9001-2015, under this section when required by the customer.

8.3.6 Design and development changes

Rappor will consider all the requirements listed in the international standard for ISO 9001-2015, under this section when required by the customer.

8.4 Control of external provided processes, products and services (Purchasing)

8.4.1 General

Rappor shall ensure that externally provided processes, products and services conform to requirements. We maintain suppliers retained based on their ability to conform to specific customer and purchasing requirements. The extent of controls applied to suppliers and purchased products is dependent upon the effect of the final product. All suppliers are dock to stock unless supplier corrective actions have been issued. Some suppliers are determined by the customer's requirements. Rappor Inc.'s suppliers are evaluated to meet the business needs of the company. All suppliers selected are documented as Account Payable.

8.4.2 Type and extent of control

Purchased parts and subassemblies are adequately described on the purchase order to ensure conformance to specifications, including the following as necessary:

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

All purchasing documents are reviewed for accuracy and completeness before communicating to the supplier.

8.4.3 Information for external providers

Rappor shall ensure the adequacy of requirements prior to our communication to the external provider and communicate the processes, products and services to be provided, the methods, equipment, release.



Inspection activities have been implemented to ensure that the purchased product meets the specified purchase requirements. Rapport, Inc. or our customers, have the right, through authorized representatives and subject to reasonable notice, to perform a source inspection or otherwise evaluate the product provided by our suppliers on their premises.

8.5 Production and service provision

8.5.1 Control of production and service provision

Our production process plans are established to ensure they are implemented under controlled conditions. These conditions include:

- The availability of what describes the characteristics of the product.
- The availability of procedures or work instructions as necessary.
- The use of equipment suitable for our manufacturing processes.
- The availability and use of suitable monitoring and measuring devices.
- The implementation of monitoring and measuring.
- The implementation of product release, delivery and post-delivery activities.

8.5.2 Identification and traceability

Where appropriate we have identified product by suitable means throughout the product realization process. A product status is identified throughout the product realization process. Where traceability is required, Rapport, Inc. has established a system to trace specific material, components or equipment.

8.5.3 Property belonging to customers or external providers

Whenever customer property is provided for use or incorporation into product, Rapport, Inc. exercises care in control of the property. Customer property is identified, and documented to ensure appropriate traceability. Methods of control that are specified by the customer, if applicable, are documented in the customer's contract. In the event that customer property is lost, damaged or otherwise found unsuitable for use, records of the nonconformance are maintained, and the customer is notified.

8.5.4 Preservation

Processes are defined and implemented to ensure that products and components are identified, handled, packaged and stored in a manner to maintain conformity to requirements.

8.5.5 Post-delivery activities

Rapport meets requirements for post-delivery activities associated with products and services by determining the extent of post-delivery activities that are required. We consider all statutory and regulatory requirements, customer, feedback, customer requirements, along with the nature, use and intended lifetime associated with our products and services. We lastly consider the potential undesired consequences associated with our products and devices.

8.5.6 Control of changes

To the extent necessary to ensure continuing conformity with requirements Rapport will review and control changes for products or service provision. We retain documented information describing the results of the review of changes, the person(s) authorizing the change, and any necessary action arising from the review.



8.6 Release of products

Rapport implements planned arrangements, at appropriate states to verify that the requirements of products and services have been met. We retain documented information on the release of our products and services with evidence of conformity and traceability to the person authorizing the release.

8.7 Control of nonconforming outputs

We ensure that outputs that don't conform to their requirements are identified and controlled to prevent their unintended use or delivery. Rapport deals with nonconforming output in one or more of the following ways:

- Correction
- Segregation, containment
- Informing the customer
- Obtain approval from customer for deviation

Rapport will retain documented information that describes the nonconformities, actions taken, any deviations, and who the authority deciding the action of the non-conformity.

9.0 Performance evaluation

9.1 Monitoring, measurement, analysis and evaluation

9.1.1 General

Rapport determines what needs to be monitored and measured. The methods for monitoring, measurement, analysis, and evaluation to ensure valid results will also be determined. This includes when measuring and monitoring needs to be performed, when the results shall be analyzed and evaluation, Rapport maintains appropriate documented information as evidence of the results. We evaluate the performance and effectiveness of the business management system.

9.1.2 Customer satisfaction

We monitor our customer's perceptions of the degree to which their needs and expectations have been fulfilled via customer scorecards and customer surveys.

9.1.3 Analysis and evaluation

We analyze and evaluate appropriate data and information arising from monitoring and measurement. These results shall be used:

- Conformity to products and services
- The degree of customer satisfaction
- Performance and effectiveness of the business management system
- The performance of external providers
- The need to improve the quality management and business management systems
- The effectiveness of actions taken to address risk and opportunities.



9.2 Internal audit

9.2.1 Internal Audits are conducted at planned intervals to provide evidence that the quality management system is effectively implemented and maintained and conforms to Rapports requirement for its QMS and the requirements of the ISO 9001-2015 standard.

9.2.2 Internal audit results are reported immediately following the audit and as part of management review input. An annual audit schedule is determined, and areas/processes are scheduled for audit, based on their status, importance and past audit results. Audit methods, criteria, scope and frequency are defined in a documented procedure, along with the responsibilities and requirements for planning, conducting, reporting results and maintaining audit records. The audit criteria and scope for each audit will also be retained as documented information. Auditors shall not audit their own work. Management is responsible for the area being audited and ensuring that timely actions are taken. Follow-up activities include verification of the actions taken and a report of verification results.

9.3 Management review

9.3.1 General

Rapport Top management will review the quality management system and business management system at planned intervals to ensure we are continuing suitability, adequacy, effectiveness and alignment with the strategic direction of Rapport. This will be conducted at least on annual bases.

9.3.2 Management review inputs

At a minimum, the following information is reviewed during the management review:

- Results of all customer and internal audits.
- Customer feedback / satisfaction.
- Performance to quality objectives.
- Monitoring and Measurements results
- Non-conformities, complaints, and corrective actions.
- Follow-up actions from previous management reviews to ensure that they were implemented effectively and on time.
- Changes that could affect the quality management system.
- Opportunities for improvement.
- The performance of external providers
- The adequacy of resources
- The effectiveness of actions taken to address risks and opportunities.

9.3.3 Management review outputs

Minutes from management review meetings are documented, maintained and included any decisions and actions related to:

- Improvement to the effectiveness of the quality management system and its processes.
- Resources needed to meet the business needs of the company.
- Any need for changes in the quality management system or the business management system.

All action items assigned as a result of management reviews are documented and tracked until completion.



10.0 Improvement

10.1 General

Our commitment to continual improvement of the effectiveness of the quality management system is accomplished by:

- Correcting, preventing, or reducing undesired effects.
- Improving the performance and effectiveness of the quality management systems.
- Improving our product and services to meet requirements as well as to address future needs and expectations.

10.2 Nonconformity and corrective action

10.2.1 When non-conformity occurs, including any arising from complaints, Rapport will react to the nonconformity and take action to control and correct it or deal with the consequences. A procedure exists that define the process for controlling nonconforming product. The disposition of nonconforming product is handled in accordance with this procedure, and may include any of the following options:

- Action can be taken to eliminate the nonconformity by repairing or reworking the product. This is done in accordance with applicable standards and is subject to re-verification, to demonstrate conformity to the original criteria.
- May be “use as is” and released under concession, with authorization from the appropriate management personnel, or the customer, if applicable.
- The nonconforming product is removed from use, and either scrapped or returned to the original supplier if applicable.

Records of nonconforming material, including actions taken, are maintained and reviewed as part of the continual improvement process. This information shows the nature of the non-conformance and action taken, along with the results.

10.3 Continual Improvement:

Rapport shall continually improve the suitability, adequacy, and effectiveness of the quality management system and the business management system.

11.0 Revision History and Approval



Department	Authorization
Chief Executive Officer	Kent Lehman

Issue #	Changes	Date
01	Initial Release of BA Manual	04/17/2017
02	Updated internal audit section to include retention of audit criteria and also to correct spacing and minor spelling errors.	07/31/2017