RAPHAEL

Procurement Procedure and Product Verification Purchased No. QA-12
Exhibit A Rev. 02 - Quality Requirements for Suppliers and Subcontractors

1. The quality management system
   - The supplier must maintain a quality management system in accordance with Raphael Industries Valve Inc. and / or ISO9001 / AS9100 requirements.
   - The supplier is known for its duty to verify the product to the requirements.
   - The supplier is aware of the importance of ethical behavior.
   - The supplier is aware of the safety of the product, and if there is a requirement for the safety of the product the subject will be defined in the order body including required activity.
   - Supplier evaluation of the commissioner is based on 4 parameters - quality, schedule, accompanying documentation, packaging and communication.
     A supplier with a score of less than 70% will be asked for corrective activity, if not performed at the time that was agreed, the supplier will be defined as unauthorized and exit from the company's suppliers list.

2. Login to the vendor site
   The supplier undertakes to allow the costumer personnel and / or the customer representative, and / or statutory bodies and regulators to enter the structure of his and to provide information related to the costumer order. The customer undertakes to coordinate visits in advance with the supplier.

3. An exception / change in organization
   - Any deviation in material, process or storage will be reported to the client for approval and decision. The supplier will also, on demand, report any corrective action taken to prevent the recurrence of the fault.
   - A provider wishing to obtain an exception certificate will apply in writing. The request will be approved if signed by the costumer quality manager. Exceptions will not be approved without the permission signed by the client.
   - Any change in production processes, key personnel, storage and equipment should be notified to the customer.
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4. Corrective action
   - In the event of an exception being found in the client, SCAR will be sent to the supplier. This document will include proof of corrective action (which will prevent the return of the exception in the future).
   - The report will be sent to the client by the date specified in the Customer Complaint / Discrepancy Report / SCAR with the fault detection, the cause of the exception and improvement actions

5. Traceability

   Unless otherwise specified, the parts / materials / products will be marked with a number of production order / batches / shipping certificate. If necessary, traceability will be included in the batch of raw material. The shipping certificate must include the porches order number of Raphael Valve Ltd.

   - If the materials / products are supplied from different portions - the packaging and accompanying documentation must be separated.

6. Sample Audit

   Unless otherwise specified by the ordering party

   - The sampling method shall be according to SQUEGLIA standard 2.5%.
   - Visual inspection of products will be 100%.

7. Chaining requirements to subcontractor
   - The commissioned work will be carried out by the supplier or subcontractor. No work can be transferred to other subcontractor without prior written approval from the quality manager or procurement manager of the commissioner.
   - It is the responsibility of the supplier to concatenate to the subcontractors all the quality requirements that appear in the commissioning order.

8. Packing and Shipping
   - Each shipment will be accompanied by audit reports and shipping certificate that include, among others, the order number, item number, edition.
   - Each packaging will be marked with a durable marking that will include at least the supplier's name, order number, product number and exact quantity of parts in the package.
   - The parts will pack in a way that will prevent corrosion and mechanical and other damage.
   - The parts will be packaged in a way that allows the ordering of parts to be verified quickly and surely.
   - The supplier will take care of the integrity of the products in the stages of transportation, production and storage.
   - If packaging specifications are specified by the end customer, the parts / products will be packed according to the customer's specifications.

9. Records
    - The record retention period is 7 years, unless otherwise required by the order or the final customer.
    - All documents will be available to the client and the final customer.

10. A process to prevent the use of counterfeit materials / components

    The subcontractor knows the importance and implications of counterfeit materials / components. It is requested to carry out all activities required to prevent the use of counterfeit materials / components.

11. Special quality requirements according to item / technology (mechanical items)
    - If required by the porches order, the subcontractor will fill out for "First Item Review" (FAI) forms as required by the customer and as agreed between the parties.
    - The report will be attached to the first batch before any serial production commences.
    - The reports must be submitted on the commissioner's / or FAI forms in accordance with AS9102 requirements
    - The report must be completed in accordance with the standard requirements
    - The subcontractors will provide all required quality documents.

12. Changes in production processes
    - Once the first product has been approved, no change to the production process or product shall be made without the prior written permission of the order quality manager.

13. Raw Materials:
    - If raw material is defined as critical raw material, the supplier will validate (validate) the material with certificates and report to the company if not otherwise required in the order body.
    - The supplier will periodically validate the raw materials provided within the order. If necessary he will provide the required documentation to the client.

14. Special processes
    - If the work will be performed by subcontractors of the supplier, the responsibility for the nature of the product, tests and documents is the responsibility of the supplier.
    - If required by the final or commissioning customer, the accompanying test models will be provided.
    - The subcontractors must maintain proof of process validation and present it to the client or the end customer as required.
    - The subcontractors and the supplier will provide a COT / COA and COC certificate.

15. Standard Parts
    - Standard parts will be provided accompanied by a genuine COC / COT / COA certificate from the manufacturer. The report will include the manufacturer's details, SKU and hard drive numbers.

16. Adhesives / colors
    - On each individual package, the package number / date of manufacture, recommended shelf life and storage conditions, temperature, humidity or other of all items / materials of limited life provided under this order shall be indicated. The remaining length of shelf life shall be at least 80% of the total length of shelf life of the item upon departure from the supplier facility.
    - The supplier must attach to each delivery quality documents such as original COT / COA / COC with definition of production order number.
    - If there is a requirement to adjust the color to drinking water in addition to section 17.2, a valid drinking water permit must be attached to each batch supplied.

17. All certificates provided to the client will be signed by a qualified employee.