



Paulcom Business Solutions Q & A Policy

1.0 INTRODUCTION

- 1.1** This document comprises of the Quality Assurance "QA" manual for PAULCOM BUSINESS SOLUTIONS LIMITED.
- 1.2** The manual shall contribute to achieving the following main objectives: To satisfy our clients by high quality services, by well engineering and cost effective solutions for their projects, and by performing our work on schedule.
- 1.3** It is main scope of the QS-system in this manual to prevent or to detect at an early stage any deviation from the above mentioned objective whereby Quality shall have priority in any case of objectives.
- 1.4** All personnel with the company shall perform their duties in accordance with the requirements of this document. For the effectiveness of our QA-system, Quality is assured at the source where a document is produced or a service is provided.
- 1.5** The Project Manager is authorized by the Managing Director to identify quality problems and initiative, recommend and provide solutions thereto. He is authorized to prevent further processing of non-conforming items or activities until non-conformance is satisfactory corrected.
- 1.6** The Project Manager shall maintain and control the issue of this manual. He shall verify implementation of its requirements and shall regularly report the status and effectiveness of its implementation to the Managing Director. Any dispute concerning implementation of the requirements of this document shall be referred to the Managing Director for resolution.



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2.0 GENERAL REQUIREMENT

2.1 Scope of the manual

2.1.1 The manual shall apply to all services performance by PAULCOM BUSINESS SOLUTIONS LIMITED.

2.1.2 The manual shall describe, directly or by reference, all activities affecting quality.

2.1.3 The manual shall give complete information to all levels of staff about their responsibility and duties in quality matters.

2.1.4 The manual shall define lines of authority in connection with the Quality control activities.

2.1.5 The manual, or parts of it, will be used to document PAULCOM BUSINESS SOLUTIONS LIMITED **QUALITY ASSURANCE SYSTEM**.

2.2 Implementation of the Manual

2.2.1 Personnel responsible for implementing this manual shall be made aware of their responsibilities and the purpose and method of implementation.

2.2.2 The primary responsibilities for implementing this manual within the company are described in chapter 3.

2.2.3 Further details of implementation may be established for individual projects on the basis of the manual in order to meet the requirements of the client and of the type of service to be provided.

2.2.4 The project Quality Assurance procedures shall be established upon receipt of the project order from the client and before commencing any major project work.

2.3 Distribution



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- 2.3.1** The Project Manager shall be responsible for the generation, issue, control, maintenance and recall of this manual.
- 2.3.2** All requests or suggestions for changes in the manual shall be addressed to the Project Manager.
- 2.3.3** Changes in the manual shall be proposed by the Project Manager and approved by the Managing Director.
- 2.3.4** All the latest changes shall be marked in the text and shall be properly recorded in the revision record.

2.4 Quality Assurance Policy

PAULCOM BUSINESS SOLUTIONS LIMITED seeks to achieve the objectives defined in the introduction by the following measures.

- i. To perform planning, engineering, procurement, inspection, testing and documentation with great care.
- ii. Not to sacrifice Quality in order to meet an unreasonable time schedule.
- iii. To give out clients correct and sufficient information so that they can verify and audit work.
- iv. To select staff with care, to keep a clear organizational structure of the Company and to inform all staff members about their responsibilities for implementation.
- v. To select subcontractors, inform them about PAULCOM BUSINESS SOLUTIONS LIMITED Quality Assurance Policy, present them with clearly written and unambiguous specification for their work and to supervise conformity during execution of their services.
- vi. To procure products and services from vendors and contractors on the basis of the Quality Assurance System.



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- vii. To give Project Manager responsibility, an authority to verify that the manual stipulation are followed.
- viii. To instruct and encourage all staff members not to hide any design discrepancies once detected but to report them immediately along the proper lines of communication or if necessary directly to the Project Manager or the Managing Director for further action.

2.5 Qualification of Personnel

All personnel performing activities affecting Quality shall be suitably trained and found competent in the principles and techniques of such activity being performed prior to assignment. The competence level and skill of these personnel shall be documented.

3.0 ORGANIZATION

3.1 General

The Company structure, functional responsibilities, levels of authority, and line of communication for management, direction and execution of all activities affecting Quality shall be always clearly established and documented. The functional responsibilities shall be such that there is no overlap of duties or conflict of responsibilities.

3.2 Organization Structure

3.2.1 The Managing Director of PAULCOM BUSINESS SOLUTIONS LIMITED is responsible for all objectives. He supervises, defines and delegates responsibility, authority and tasks to the Company.

3.2.2 The Project Manager reports to the Managing Director. He is responsible to assure that the work is performed in full accordance with the contract requirements.

3.2.3 Each Project Head is responsible for the Quality Assurance of all work performed by his staff, whether this staff is working in a project management position or providing support services in the way of interdisciplinary co-operation.



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3.2.4 The Project Manager is responsible for careful planning of the works, especially for the portions requiring support services from other departments, in order to minimize any time pressure which may have a negative effect on the Quality of our work. The Managing Director will assist in coordination of works and decide in case conflict of interests arises. For this purpose the Managing Director will organize on a regular basis "PROJECTS MANAGERS MEETINGS".

3.2.5 The Project Manager reports directly to the Managing Director and his responsibilities shall include:-

- i. Establishing and maintaining the Quality Assurance System.
- ii. Assisting in the resolution of questions concerning Quality Assurance and control.
- iii. Planning and participating in Quality Audits and reporting Audit Results to the Managing Director.
- iv. Submitting to the Managing Director for arbitration any problems involving Quality Assurance which cannot be resolved by normal procedures.
- v. Establishing and maintaining a complete filing system for documentation of the Quality Assurance programmes executed.
- vi. The Project Manager shall perform his Quality Assurance functions free of the pressures of contract, schedule and commercial considerations.

3.2.6 Updating of this chapter 3 is the responsibility of the Managing Director.

4.0 PLANNING OF WORK

4.1 The main objectives of work planning are:

- i. To identify and provide the staff support services required in a timely manner.



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- ii. To schedule and organize adequate control of engineering, procurement, testing and inspection activities.
- iii. To properly organize the selection of vendors and construction Contractors on the basis of this manual.
- iv. To avoid any time pressure on the foreseen Quality Assurance procedures.

4.2 At the commencement of work, the Project Manager shall produce plans and schedules (henceforth called the "WORK PROGRAMME"). This work programme shall include the following:

- i. The complete scope of work as per contract with our client shall be subdivided into:
 - The activities which can be covered by the department of the Project Manager; and
 - The activities for which support in form of interdisciplinary cooperation or by subcontractors by associated experts is required.
- ii. The list of activities shall be with a time schedule defining especially the time requirements of support services by the other department as precisely as possible.

4.3 The work program shall include a section on proposed Quality Assurance procedures based on the client's scope of work (as described in item 2.2.3) for review by all parties involved.

4.4 The work program shall be presented by the Project Manager during the kick-off meeting and agreed upon by all parties involved.

5.0 PROCESSING OF DOCUMENTS



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- 5.1 For the purpose of this manual the expression "Documents" shall mean drawings, studies, reports, specifications, data sheets, calculations, letters containing important information or any other document either on paper or stored on discs and tapes.
- 5.2 All documents prepared for issue to our clients or other external parties shall be checked, reviewed and/or verified by staff members having the requisite qualification contained in these documents. **Checking** shall be carried out by personnel other than those which have prepared the documents.
- 5.3 For each document the author(s) shall establish and/or explain the following:
- The scope of the document;
 - The basic assumption/Data used;
 - The method, codes and standards used; and
 - Any other information required to facilitate the verification of achievement of the document's objectives and/or correctness of result by engineering review.
- 5.4 The review shall be properly documented. As a minimum requirement, each document shall be signed not only by the author but also by the person who has performed the checking.
- 5.5 The documentation shall be numbered, registered, signed and filed in accordance with approved procedures.
- 5.6 All originals be clearly marked as such and kept in a separate file and not mixed with copies of such originals.
- 5.7 Supersede documents shall be controlled to prevent their misapplication by being marked as such, withdrawn from circulation and kept separate from currently valid documents.
- 5.8 Documents shall be distributed in accordance with approved procedures using written transmittals whereby the originator keeps a file of all transmittals.
- 5.9 All changes and revisions to document subject to the provisions of this chapter of the manual shall be



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prepared, reviewed, approved, recorded and issued with the same degree of control as the original documents. Written notifications to existing documents do not comprise an acceptable method of change/revision procedure.

- 5.10 All documents, and all revision thereto, shall when required, be submitted to the client for review and approval prior to issue for implementation.
- 5.11 Non-conformities in the studies and the engineering processes shall be identified and documented. Such non-conformities shall be reviewed to ascertain their cause and corrective action taken to preclude their repetition.
- 5.12 Standard practices, previously approved studies or previously proven similar practices shall be reviewed, and their suitability for the particular application verified prior to their incorporation.

6.0 PROCUREMENT OF PRODUCTS AND SERVICES

6.1 General

- 6.1.1 It is the scope of this chapter to describe PAULCOM BUSINESS SOLUTIONS LIMITED system for procurement of products and services from vendors and contractors either on behalf of a client or under the company's direct responsibility.
- 6.1.2 It is the objective of PAULCOM BUSINESS SOLUTIONS LIMITED Quality Assurance system to ensure that all purchased products and services are in accordance with the specified requirements.
- 6.1.3 In order to meet this objective the vendor and contractors shall be requested to submit a document describing their quality assurance system. Vendors and contractors which provide products and/or services in an industrial process shall be requested to demonstrate that their Quality Assurance System meets the guidelines of international standards like **ISO** or equivalent.



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6.1.4 The Quality Assurance System agreed upon shall be defined in the procurement documents by reference to a standard or by detailed description, shall be maintained by the vendors/contractors and shall be verified by inspection.

6.2 Selection of Vendors and Contractors.

6.2.1 Products and services shall be procured only from sources whose capability to deliver the product and/or perform the work in full accordance with the contractual, technical and quality requirements is assured.

6.2.2 Pre-qualification and/or screening of possible vendors and contractors shall be performed for establishment of the list of bidders expected for such companies where updated and reviewed qualification and performance data are already available to PAULCOM BUSINESS SOLUTIONS LIMITED.

6.2.3 For each potential bidder a final evaluation shall be performed before awarding the purchase order or contract. The evaluation shall cover such items as technical and financial capabilities, but shall also include a careful check on the vendor's or contractor's Quality Assurance System.

In the course of this evaluation, it might become necessary to carry out an on-site survey. The results of such a survey shall form part of the evaluation.

6.2.4 For selection of the successful bidder the results of the evaluation shall have at least the same weight as the prices or other commercial conditions.

6.2.5 The vendor's and contractor's on-the-job performance and their capability to meet the contract requirements will be under continuous review.

6.2.6 The procurement documents shall give a complete and precise description of the product or service. In respect of scope and Quality, the document shall have a clear structure avoiding any discrepancies or repetitions.

6.2.7 The procurement documents shall do the following:



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- i. Describe all Quality Assurance requirements by reference to codes and standards or detailed specifications.
 - ii. Identify the client and, where applicable, the certifying authority together with relevant channels of communication.
 - iii. Describe the inspection procedure and identify the agency or contractor which has been selected to perform this work, together with relevant channels of communication.
 - iv. Define in detail any performance guarantees required and the method of verification.
 - v. Describe in sufficient detail the complete documentation to be provided by the contractor together with the time requirements.
 - vi. Include the contractual condition that personnel authorized by the client shall have at any time free access to all premises, facilities and technical records of the vendor or contractor as required for inspection and testing.
- 6.2.8** All amendment and changes to the procurement documents shall be subject to the same sequence of actions and controls as the original documents.
- 6.3 Inspection of testing during fabrication**
- 6.3.1** Vendors shall be subject to meeting such verification, surveillance and audit (henceforth called "Inspection") during the execution of the requirements defined in the procurement documents. Inspection activities shall be described in the procurement documents, systematically planned and properly documented. The activities shall take place at the vendor's premises (shop inspection) or upon receipt at the designated place of delivery (site inspection).
- 6.3.2** Inspection shall be carried out by competent and reliable personnel. If the inspection work is awarded to a specialized agency, such agency shall be requested to



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submit names and qualification of the inspectors to be in charge.

6.3.3 Inspection shall be carried out prior to acceptance. The procurement document shall, however, clearly stipulate the nature of any inspection or acceptance procedure of any product or service in any respect.

6.3.4 The documents prepared by the vendor in shop tests and other quality assurance shall also be subject to verification for compliance with the requirements of the procurement documents. The inspection of this documentation shall be carried out prior to its inclusion in the equipment manual and/or submission to the client.

6.4 Inspection of Construction

6.4.1 The Quality Assurance system under item **6.4** for vendors shall also apply for contractors performing construction work. Inspection shall be carried out on site.

6.4.2 The final acceptance tests including any test on system performance shall be carefully planned in detail, executed in a professional manner and properly documented. This is of special importance when inspection refers to a turn-key contract.

6.4.3 Inspection shall also cover the verification of any as-built or other project documentation (certificate, test report, etc.) to be provided by the contractor.

7.0 NON CONFORMANCE

Documents, services or any other product of PAULCOM BUSINESS SOLUTIONS LIMITED activities which do not conform to the requirements of this manual or to requirements agreed upon with our clients shall be detected, identified as such, reported and become subject to close control so that ...

Their unauthorized or inadvertent use is prevented.

They are separated from conforming items and they are kept physically segregated wherever practical.



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Their approved disposition is implemented by authorized personnel and re-inspection carried out to original requirement.

Records are maintained which readily and positively identify the non-conformity, the corrective action and the result of re-inspection.

8.0 CORRECTIVE ACTION

8.1 The corrective actions shall include not only the remedy of the deficiency but shall also include all measures to prevent any repetition of such non-conformity.

8.2 The first responsibility for taking the corrective action rests with the person or group of persons who has/have generated the non-conformity.

When identification of the problem and elimination of its cause are within the responsibility and capability of one single department, its head shall be in charge of the corrective action and of the follow-up until the problem is solved.

8.3 The person in charge of the corrective action shall be responsible for planning, execution, reporting, follow-up and documentation.

8.4 The person in charge of the corrective action shall verify that the deficiency has been actually removed and that the measures provided to prevent the recurrence of the problems are adequate and taken.

9.0 FINAL INSPECTION

9.1 The responsibility for final inspection of any document prior to any external issue rests with the Project Manager. In special cases the final inspection will be performed by the Project Manager and the Managing Director.



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9.2 Documents of special importance shall be submitted for final inspection to the Managing Director irrespective of any previous review work performed.

The Managing Director may call all parties having contributed to preparation of the document for a meeting to discuss the result and conclusions within the Project team before the document is finally issued.

10.0 QUALITY AUDIT

10.1 Systematically planned and documented audits shall be conducted on a periodic basis of all activities having a bearing on the achievement of Quality objectives in order to:

- i. Determine the adequacy and effectiveness of the systems, practices, procedures and instructions established in accordance with the provisions of this manual.
- ii. provide an evaluation of compliance with the system, practices, procedures and instructions established in accordance with the provision of this manual.

10.2 Additional audits, on a random, unscheduled basis shall be conducted wherever deemed necessary.

10.3 The established audit frequency shall be subject to review and adjustment on the basis of documented results of previous audits.

10.4 Audits shall be conducted by qualified personnel not having direct responsibilities in the areas audited.

10.5 Audit results shall be documented in reports to the Managing Director.

10.6 Prompt action shall be taken by the Managing Director to correct any deficiency revealed by audit and, as far as is practicable, to preclude its repetition.



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- 10.7** Re-Audit shall be established to verify implementation of the corrective action