

External Provider Quality Clauses

This document describes the Quality Clauses applicable to Lynch Fluid Controls (Lynch) Purchase Orders for materials and outsourced processes. The specific items that apply will be noted on the Purchase Order.

External providers to Lynch are contractually obligated to comply with all Quality Clauses noted on the purchased order. Inability to comply with these clauses must have Lynch approval prior to product shipment or service completion.

The purchase order contains requirements for the following, as applicable:

- The processes, products and/or services to be provided including the identification of relevant technical data.
- The approval of products and/or services, methods, processes and equipment, as applicable, and the release of products and/or services,
- The competence, including any required qualification of persons,
- The external providers interactions with Lynch,
- The control and monitoring of the external providers' performance to be applied by Lynch,
- The verification or validation activities that Lynch, or its customer, intends to perform at the external providers' facility,
- The control of design and development,
- Any special requirements, critical items, or key characteristics,
- Any test, inspection, or verification activities at the external providers' facility,
- The use of any statistical techniques utilized for product acceptance and any related instructions for acceptance by Lynch.

1) Quality Clauses

a) General Requirements

- 1) The external provider shall confirm with Lynch the qualification of employees involved in order processing , with respect to the following disciplines:
 - a) Raw Material Inspection
 - b) Calibration Control
 - c) Machine Set-up & Operation
 - d) Metrology
 - e) In-Process Inspection
 - f) First-Article Inspection
- 2) The supplier shall comply with our quality management system requirements.
- 3) The external provider shall ensure the requirements of this Purchase Order flow down to sub-tier external providers the applicable requirements in the purchasing documents, including special requirements, critical items and key characteristics where required.
- 4) The external provider shall implement or comply with a Quality Management System.
- 5) The external provider shall use customer-designated or approved sub-tier external providers, including process sources (ex: special processes).
- 6) The external provider shall honour acknowledged delivery dates and inform Lynch if there are any changes to these dates. The external provider must obtain approval from Lynch prior to early delivery.

b) Product & Process Compliance

- 1) The external provider shall comply with requirements for design, test, examination, inspection, and related instructions for acceptance of product (verification and validation).
- 2) The external provider is subject to an on-site inspection (verification) of the work performed, prior to delivery of product to Lynch.
- 3) The external provider shall provide test specimens (production method, number, storage conditions) for design approval, inspection, investigation or auditing purposes.
- 4) Lynch retains the right of access by Lynch, our customer, and/or regulatory authorities to all facilities involved in the order and to all applicable external provider records.

c) Product & Process Changes

- 1) The external provider shall provide written notification to Lynch of nonconforming product, before and after delivery. Where applicable, Lynch will be required to obtain approval from our customer to supply the same, prior to acceptance of product in question.
- 2) The external provider shall provide written notification to Lynch of changes in product and/or process definition. Where applicable, Lynch will require approval from our customer.

d) Quality Records

- 1) The external provider shall provide a Certificate of Compliance (C of C) upon delivery of product.
- 2) The external provider shall provide detailed Inspection Reports upon delivery of product.
- 3) The external provider shall provide detailed Test Results upon delivery of product.
- 4) The external provider shall maintain control and retention of all quality records below for 10 years unless otherwise stated.
 - Certificate of compliance (C of C)
 - Detailed dimensional inspection reports: process document inspection report, verification report, heat treating
 - Material Certificate (for raw material received internally or from the subcontractor of a finished good)
 - Job specific test reports (ie: Mag-flux, Ultra-sonic)
 - Non-conformance reports
 - Equipment and operating capacity lists
 - Equipment calibration records
 - Employee training records and certificates

2) Material / Parts Specifications

- a) Material Test result (Mill Certificate) required. Lynch requires actual results of mechanical and chemical tests. A recital of standard material specifications will not be accepted.
- b) Material must conform to applicable industry specifications and be free of surface defects and damage from handling prior to shipment to Lynch.
- c) Mag-Flux testing of the product is required prior to shipment to Lynch. Product with surface defects detected by this method shall not be shipped to Lynch with prior approval.
- d) All hardware, such as threaded plugs and fasteners, must be trivalent chromium plated. Product that is hexavalent chromium plated will not be accepted without prior approval from Lynch.

- e) Product or material must comply with RoHS Hazardous Substances Directive (2002/95/EC).
- f) Material and/or parts must comply with Counterfeit Material / Parts Requirements (AS6174 & AS5553).
- g) Product or material must comply with conflict minerals Section 1502 of the Dodd-Frank Act.

3) Surface Coating and Heat Treatment Specifications

- a) No rack marks permitted
- b) All internal machined surfaces must be properly and evenly coated. Incomplete and inferior finish quality will not be permitted
- c) Manifold must be rolled in the plating solution to remove all air pockets prior to plating. Air pockets lead to areas of high corrosion during plating.
- d) To prevent rusting, ensure all threads used for handling are thoroughly flushed after plating.
- e) Do not fasten or bolt any port or hole not authorized on the drawing.

4) Packaging and Transportation

- a) Metal to be secured and covered
- b) Packed in Lynch wood crates (if provided), especially for return of plated/coated products
- c) Create bare batten bundles with wood spacers and metal straps

6) AS9100D responsibilities of the Lynch External Provider is to:

- a) Implement a quality management system,
- b) Use customer-designated or approved external providers including process sources for special processes,
- c) Notify the Lynch of any non-conforming processes, products or services and obtain approval for their disposition,
- d) Prevent the use of counterfeit goods,
- e) Notify the Lynch of changes to processes, products or service including changes of their external providers or location of manufacture and obtain the Lynch approval,
- f) Flow down to sub-tier external providers applicable requirements including customers' requirements,
- g) Provide test specimens for inspection/verification, investigation or auditing.
- h) Retain documented information, including retention periods and disposition requirements.
- i) Allow the right of access by the Lynch, their customer and any regulatory authorities to the applicable areas of the external providers facility and the applicable documented information, at any level of supply chain,
- j) Ensure that their employees are aware of:
 - i. Their contribution to the product and/or service conformity,
 - ii. Their contribution to product safety, as applicable,
 - iii. The importance of ethical behavior