

## 1.0 Introduction

Cinch Connectivity Solutions and Cinch Connectors Limited, herein referred to as the “Buyer”, produced this document to establish a common source for the communication and identification of applicable supplier quality assurance requirements. Cinch acknowledges ultimate responsibility for ensuring that all products supplied to its customers at a minimum comply or exceed the required standards of quality and reliability. As a result, all suppliers to Cinch must acknowledge responsibility for the quality and reliability of their products or services provided against a Cinch Purchase Order (PO).

## 2.0 Purpose

To define the requirements and expectations of quality requirements placed on suppliers.

## 3.0 Scope

This document applies to the buyer, suppliers, and all sub-tier suppliers engaged by the supplier. It contains the detailed quality assurance requirements that the supplier and all sub-tier suppliers are required to adhere to.

## 4.0 Responsibility

It is the responsibility of the supplier to review this document and ensure its compliance. If there is confusion or conflict with a clause or buyer’s documentation related to any PO, it is the supplier’s responsibility to contact the buyer to resolve such issues prior to processing any PO.

## 5.0 Requirements

- A. The supplier shall ensure they have a revision of the drawing/specification matching the revision noted on the PO. If a specification is referenced in related documentation, the revisions in effect are as of the date of the PO. If the supplier does not have a copy of the current revision specified on the PO or associated documentation, the supplier must notify the buyer immediately.
- B.1. The supplier is required to supply with the first receipt of their parts and after a 2-year hiatus of supplier such parts a First Article Inspection Report (FAIR) in line with the format prescribed is AS9102. Where the supplier is unable to meet such requirements, they must inform the buyer immediately and prior to shipment of any parts. The buyer may grant dispensation on this requirement, considering the application and subsequent inspections the buyer will carry out upon receipt of the parts.

Material/product or processing supplied under a PO will be subjected to Initial Sample Inspection Reporting (ISIR) at the buyer’s facility for verification of compliance to required specifications on the first receipt of the material/product and after a 2-year hiatus of receipting parts produced to the same standard. More frequent inspection may be carried out at the discretion of the buyer as they see fit.

If identified to be non-conforming; the order may be returned for replacements, rework, sort, or credit and a corrective action report will be required. Refer to section (K) for further details on non-conforming product management and expectations.

- B.2. All methods, processes and equipment used by the supplier in the manufacture of goods to be supplied must be suitably qualified by the supplier to provide the intended output. Measurement, test and special processing equipment used by the supplier shall be subjected to a visual, dimensional and operational inspection, as applicable, when initially received and at periodic intervals thereafter. Objective evidence of traceable calibration shall be recorded. Each piece of equipment shall be labeled with the date of verification/calibration, date by which the next verification/calibration is required and a code/ID to trace back to the records. The necessity for and/or frequency of periodic verification/calibration shall be based on objective evidence of the stability and continued accuracy of the equipment. The standards against which test and measurement

equipment is checked shall be traceable to national, international or intrinsic standards and shall be of sufficient accuracy to verify conformance to the equipment manufacturer(s) tolerance.

- B.3. The supplier is expected to have sufficiently documented processes and procedures to produce, inspect and/or test the items on the PO prior to release for shipping to the buyer. Such documentation shall be made available for the buyer review upon request.

The supplier's quality control system shall provide early detection of conditions in manufacture that could lead to a reduction in the level of product quality, such systems should result in the implementation of immediate actions to overcome such issues.

- B.4. The supplies furnished under the PO shall have a means of traceability of the production lot to raw materials used, associated processes and all related records. A production lot shall be defined as parts produced by the same manufacturer, utilising the same equipment, and during the same timeframe to the same specification requirements. Raw material CofC, CofA and any records related to supplies furnished under the PO shall be provided upon buyer request.
- C. The supplier must ensure all employees doing work under its control that affects the performance and quality of the products/service and, the effectiveness of the quality management system; are competent on the basis of appropriately assessed and documented education, training, or experience.
- D. Should the supplier have any questions or issues during the fulfilment of the PO, it is the supplier responsibility to engaged the buyer at the earliest possible opportunity to discuss such issues, in order to not delay the fulfilment of the PO.
- E. The Cinch Supplier Risk Matrix is designed to provide a consistent method of rating suppliers and help Cinch understand supplier performance in the areas of Quality and Delivery. The system provides Cinch with a basis from which to drive improvements in supplier performance and assist with making purchasing decisions.

Repeat unsatisfactory supplier performances may result in a request for formal corrective action. Suppliers may request information of their performance from the buyer.

Cinch expects that all suppliers will work toward a rating of 100% in both Quality and Delivery, however, the following are the minimal acceptable performance ratings:

Quality:  $\leq 2,500$  PPM

Delivery:  $\geq 95\%$  OTIF Delivery

- F. In certain circumstances the buyer may request to be present at the supplier's site during FAIR activities. This will be agreed with and communicated to the supplier at the time the PO is placed.

The buyer reserves the right to conduct surveillance activities at any time during normal working hours to evaluate the supplier's capability to comply with the requirements associated with the PO and other applicable specification. Such activity, including inspection and test at either facility, shall not relieve the supplier of the responsibility to comply with all the specified requirements.

- G. The supplier shall not deviate from the drawing, design or specifications as detailed on the PO. The supplier must notify the buyer of any proposed changes in design, materials, fabrication methods or processes and changes that could affect fit, form and functionality. Buyer approval of such a change must be granted prior to the fulfilling the PO by either an approved deviation/concession or engineering change note in advance of shipment. The buyer reserves the right to decline deviation/concession requests. A buyer approved deviation/concession form must accompany all associated shipments and all shipments shall be marked for easy identification and segregation upon arrival at the buyer's facility.

- H. The buyer will communicate special requirements, critical items or key characteristics via the drawing, design, or specification in the first instance. Other requirements that the supplier must comply to may also be noted on the PO.
- I. Supplier shall maintain test, inspection, and verification system to assure compliance of products supplied to all applicable specifications and requirements, including the verification of their production process
- J. The suppliers is required to use statistical techniques when assessing the suitability of its products. The buyer, upon receipt of the products will using sampling plans based on lot size, level of inspection required and associated Acceptable Quality Limits in line with the relevant international standard in order to assess the acceptance or rejection of all product lots received. Should the samples taken show non-conformance of the products received, the whole batch will be rejected back to the supplier. In some cases, as agreed by the buyers Quality Manager, products received may be 100% inspected and only non-conforming parts rejected.

**K. Supplier Quality Requirements**

The supplier must also conform to the following requirements when accepting a PO from the buyer.

**Quality Management System**

- Maintain a Quality Management System that is compliant to AS9100 or ISO9001. Where the supplier does not maintain such certification an assessment of the supplier's suitability must be performed by the buyer prior to orders being place and approval sough from the quality manager to proceed.

**Use of Suppliers**

- Only use approved external providers or those designated specifically by the customer.

**Control of Non-Conforming Products**

The supplier's system for non-conforming material control shall ensure the identification and containment of the material. The supplier shall provide notification of a non-conformance to the buyer. The supplier must obtain approval via a deviation/concession request prior to non-conforming material being shipped. The buyer reserves the right to decline deviation/concession requests. A buyer approved deviation/concession form must accompany all associated shipments and all shipments shall be marked for easy identification and segregation upon arrival at the buyer's facility.

If non-conforming product is identified by the buyer; the order may be returned for replacements, rework, sort, or credit and a corrective action report will be required. If the buyer determines the non-conforming product is needed and return to supplier is not an adequate option, the disposition may be to rework (or sort, etc.) all or part of the shipment at the buyer's facility – in this case, the buyer reserves the right to charge the supplier for expenses incurred in the process of resolving the non-conformance.

The supplier is required to respond to a buyer's request for root cause and corrective action using the Supplier Correct Action Report (SCAR) raised by the buyer. Upon notification of a non-conformance, the supplier shall conduct containment action immediately and complete a root cause analysis and proposed/implemented corrective action within ten (14) working days or within the due date if the SCAR has one assigned. The response can be in the form provided by the buyer or a format chosen by the supplier so long as it includes all the essential details. Failure to provide an adequate response within the time frame requested could affect future procurement and/or status as an approved supplier.

**Notification of Changes**

- The supplier shall notify the buyer in writing of changes to products, processes or services, including changes of their external providers or manufacturing location and obtain the buyers approval prior to Purchase Order acknowledgment to the buyer.

**Source Change**

- For any parts, components or material that requires Source Change by the supplier, the supplier must inform the buyer in writing, 3 months prior to the change. Only after approval by the buyer can the Source change be implemented. Once implemented the supplier will follow the requirements of section B for the submission of a First Article report.

**Obsolescence**

- For any parts, components or material that becomes obsolete, or is declared obsolete by the supplier, the supplier must inform the buyer in writing, 6 months prior to the discontinuation. Where possible, the supplier must offer the opportunity for 'Last Time Buy' (LTB).

**Counterfeit Parts**

- Supplier shall ensure that material/components used to produce the deliverable items have been procured directly from an Original Equipment Manufacturer (OEM) or a first-tier OEM authorised distributor. If the supplier cannot procure the part directly from an OEM or a first-tier OEM authorised distributor, buyer approval is required. The supplier shall maintain a method of traceability that ensures tracking of the supply chain back to the OEM and shall provide records of this traceability upon buyer request.

**Flow Down of Applicable Requirements**

- The supplier shall assure all relevant PO requirements are flowed down to their sub-tier suppliers. The sub-tier suppliers are responsible for compliance with the same specified requirements on the buyer's PO.

**Test Specimen**

- At the request of the buyer the supplier shall provide a test specimen for design approve, inspection/verification, investigation or auditing purposed.

**Record Retention**

- All records related to satisfying a PO shall be maintained by the supplier for a minimum of 10 years following receipt of payment. The records shall be adequate to ascertain the quality level and the effective operation of the control systems necessary throughout the manufacturing process. The records shall provide process and raw material traceability. Records shall be provided upon request. The supplier must obtain approval from the buyer prior to disposal of any records.

**Foreign Object Debris (FOD)**

- The supplier shall have production processes appropriate for the prevention, detection, and removal of all FOD for items supplied on the PO. The items shipped shall be clean and free from FOD and not contaminated with FOD or residue from processing, packaging material and containers used. FOD contamination can be cause for rejection of items supplied.

**L. Access**

The supplier shall allow the buyer, the buyer's customers and regulatory authority representatives, right of access to all applicable areas of facilities, quality management system documentation and all applicable records at any time requested.

The buyer reserves the right to conduct surveillance activities at any time during normal working hours to evaluate the supplier's capability to comply with the requirements associated with the PO and other applicable specifications. Such activity, including inspection and test at either facility, shall not relieve the supplier of the responsibility to comply with all the specified requirements.

**M. Awareness and Supplier Behavior**

Cinch Connectivity Solutions and Cinch Connectors Limited are committed to providing conforming products to its customers and suppliers products play an integral part to this success. Suppliers therefore must understand and ensure persons within their organisation understand their contributions to overall product safety and conformity.

The supplier shall not act in any unethical manner during operations of its business activities and must make persons within their organisation aware of the importance of ethical behavior. The supplier must ensure that it complies with all applicable statutes, rules, regulations and orders, including those pertaining to labour, wages, hours and other conditions of hiring and employment.

**N. Certificate of Conformance (CofC)**

The supplier shall include with each shipment a CofC. The CofC shall contain a statement certifying to the effect that items supplied on the relevant PO comply with applicable requirements of the PO, drawings, and specifications.

The CofC shall include the following:

- Supplier's full name and address
- Buyer's name
- PO number
- Buyer's part number and revision (as applicable)
- Date code and/or serial numbers (if applicable)
- Industry standard and specification the product was made/processed to (if applicable)
- Quantity shipped
- Date of manufacture (if shelf life applicable)
- Lot/Batch/Order/Heat Number allowing traceability to CofA (if applicable)
- Include sub-tier supplier's CofC for sub-tier supplier services (if applicable)
- Statement of conformance
- Authorised signature

**O. Shelf Life**

The date of manufacture of material that has a shelf life shall be specified of the packing slip or CofC. The date of manufacture and expiration date shall be stamped on each item. If the size or form of items prohibits marking, the smallest unit containers shall be so identified. Do not ship items with less than 75% of the useful shelf life as determined by the manufacturer.

**P. Temperature Sensitive Material**

The supplier shall identify each shipment of temperature sensitive material with the manufacture date, shelf life, storage temperature and special handling conditions.

**Q. Packaging and Shipping**

Unless otherwise specified, packaging and packing of deliverable items shall be such to maintain the quality of the items in transit. Items are to be wrapped, cushioned, or compartmentalized as appropriate to avoid damage and deterioration during handling and shipping. Physical, mechanical, or damaged finishes can be cause for

rejection of items supplied. When multiple lots or part numbers are shipped in one container, they shall be adequately segregated and identifiable. The supplier shall assure that required documents such as certificates, test reports and inspection data are included with each shipment.

**R. Export**

It is a condition precedent to the coming into force of the purchase order that the supplier shall notify the buyer, on or before delivery of all or any parts of the goods and/or services, if all or any part of the goods and/or services including technical documentation, is subject to any United States Export Control regulations i.e. International Traffic in Arms Regulations (ITAR) and Export Administration Regulations (EAR).

Default of notification by the supplier to buyer on or before such deliveries, shall be deemed to be an express declaration by the supplier that all or any part of the goods and/or services including technical documentation are not subject to the US Export Regulations

The supplier is responsible for obtaining and maintaining all and any export licences necessary for the timely performance of its obligations. The supplier shall keep the buyer informed on a regular basis of its progress in obtaining all such licences and/or any authorisations necessary to comply with Export regulations.

In the event that any item of supplies is restricted by Export control laws or regulations during the period of the purchase order, or at any time during the lifetime of the supplies, the supplier shall be responsible for the immediate notification thereof to the buyer.

The supplier shall immediately notify the buyer if the supplier is or becomes included on any Denied Parties List or its export privileges are denied, suspended, or revoked, whether in whole or in part by any government authority.

The supplier shall provide the buyer with copies of all export licences obtained in respect of the supplies and without prejudice to any of its obligations to this clause, the supplier shall provide the buyer with all information as reasonably required by the buyer in order to assess the export and re-export restrictions affecting the supplies.

The supplier shall ensure that it will cite on all delivery documentation any Export Control regulations applicable (including ITAR & EAR restrictions) to the supplies, specifying the regulations concerned and the restrictions to be applied.

The supplier warrants that it maintains an effective export control compliance programme and that all information provided to the is true and accurate.

If the supplier is not compliant with any part of this clause, the supplier shall notify the buyer immediately by written notice.