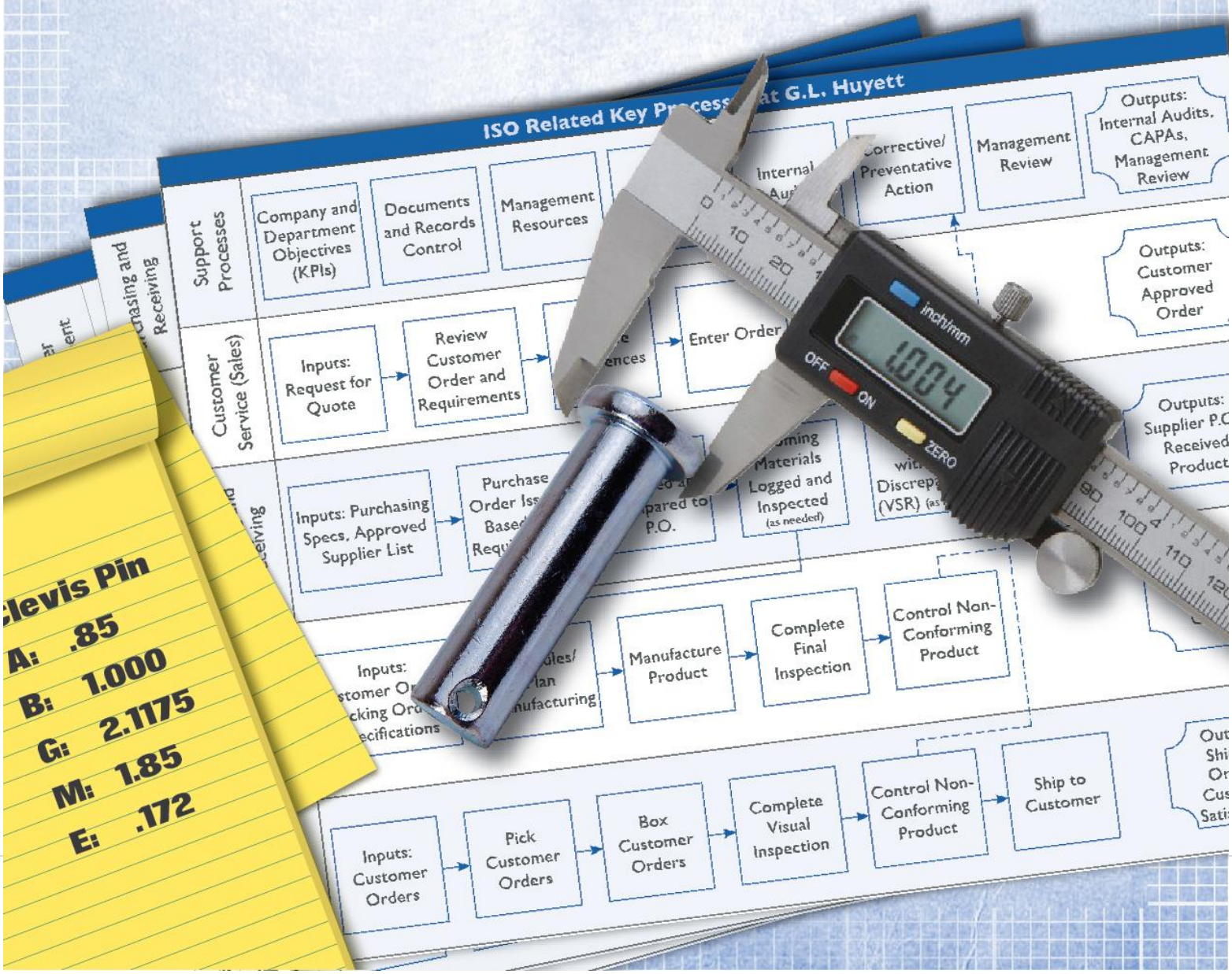
HUYETT
INDUSTRIAL MASTER DISTRIBUTOR
EST.1906

MANAGEMENT SYSTEM MANUAL

REVISION: 7.0 • RELEASED: 2/2022



Huyett Notice

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Index of Revisions

Revision #	Date	Section	Revision Detail
1.0	2014/02/17	All	Approved Initial Release
2.0	2014/04/04	All	Proofing edits; organization chart updated
3.0	2014/04/25	All	Revised scope page 8 and Key Processes Chart page 10
4.0	2014/05/29	All	Revised Key Processes Chart page 10 and organization chart
5.0	2016/03/24	All	Revised MS review frequency
6.0	**2018/03/01**	**All**	**Update to new ISO Standard**
7.0	**2022/02/01**	**All**	**Revised MS review frequency / name update GL Huyett to Huyett**

The MSM is subject to review at least once per year following formal Management Review. Should there be major changes to policies, Company, or responsibilities during the year, the appropriate sections of the manual will be revised at the time by revisions issued under the established control procedure.

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Section 0: Introduction

0.1 General

This manual contains details of the management system and procedures in place at Huyett to conform to the ISO 9001:2015 standard.

This manual shows how the standard is applied to all relevant Company activities, and identifies the operational procedures and other documents used in the Huyett Management System (MS).

The Huyett MS defines accountability and responsibility for the implementation and maintenance of the quality standards, and improves the effectiveness and efficiency of management.

Continuous improvement of the MS is vital to Huyett's business success and achieving customer satisfaction. Relevant measures of the MS are documented to provide evidence of improvement through records. Inputs to continuous improvement could include, but are not limited to the following:

- Internal Auditing
- Management Review
- Corrective/Preventive actions
- Quality and Business objectives

It is mandatory that all employees adhere to the Management System Manual (MSM), procedures, and work instructions specific to their work area.

0.2 Company Background

BORN OUT OF THE OLD TIN SHED

Huyett was founded in Minneapolis, KS, in 1899 by Guy Lamson Huyett, a German immigrant. The business was incorporated in 1906, and is now one of the oldest continuously operating businesses in the state.

In its earliest days, the Company operated as a general line retail hardware store selling common goods to early settlers. Through time, Huyett became known as the originator of the machinery bushing, a part considered for its precision and difficult manufacture. As business prospered, Guy moved the building that housed the Company closer to the local rail spur. "The Old Tin Shed," as it was affectionately known, sheltered the Company until 1998.

In 1930, Guy turned the operation of the business over to Henry Hahn. At the time the Company had six accounts. Eighteen years later, Henry passed the business to his son, Louis. At its peak, the business generated $18,000 in annual sales. In the mid 70's, Louis' son, Bob, joined the Company. In 1980, Huyett was ceded to Bob and Dolly Hahn. Under their guidance, the Company prospered as Bob developed new relationships, acquired new customers, and began expanding Huyett's product lines to include a few grease fittings and snap rings, a

handful of pins, and some keystock. In 1992, the Company was purchased by Tim and Carol O'Keeffe. Recognizing the potential of Huyett, they added staff and product lines necessary to grow the business. The Company began resourcefully sourcing parts internationally and developed an entrepreneurial approach to sales.

In recent years, Huyett has made substantial investments in facilities and technology, and has worked to establish itself as a world-class leader in the specialty fastener industry. Huyett counts itself as a successful example of the American Dream and looks forward to another century of triumph.

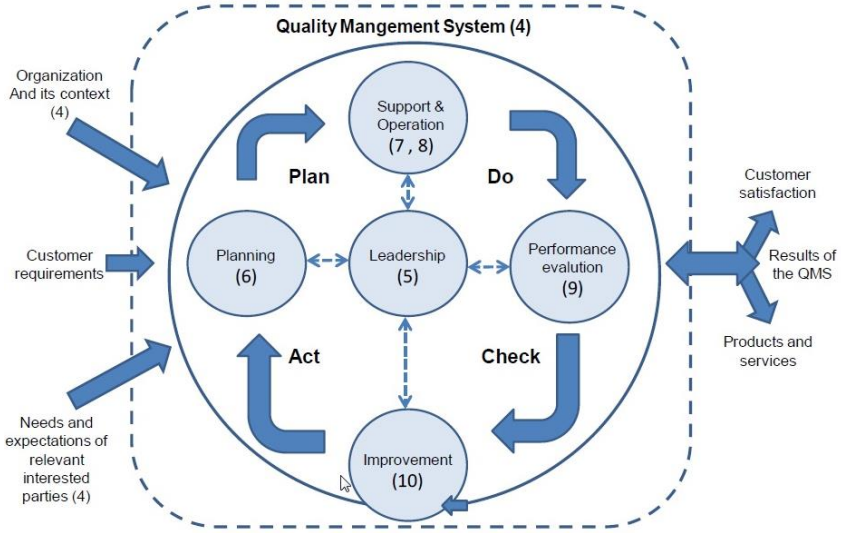
0.3 Process Approach:

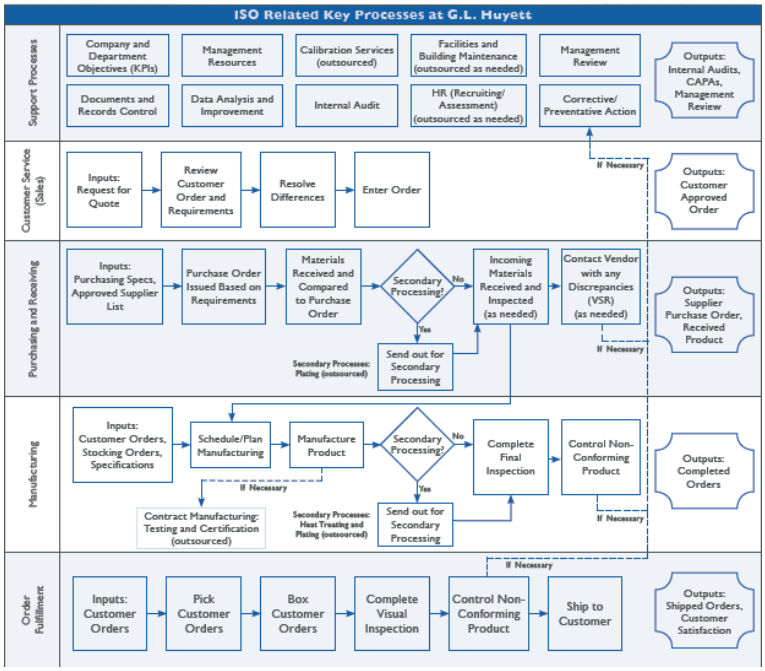
Huyett's ISO system is based on three main components: A process approach to our MS system, use of PDCA methodology, and Risk based thinking.

0.3.1 Huyett believes that consistent and predictable results are achieved more effectively when activities and processes function as a coherent system, in accordance with its quality policy and strategic direction of the company.

0.3.2 Huyett utilizes PDCA methodology to manage and review processes in order to achieve effective process performance. PDCA refers to Plan – Do – Check – Act cycle as summarized:

Plan: establish objectives and resources
Do: Implement what was planned
Check: Monitor, measure, and report results
Act: Take actions to improve process performance.





0.3.2.2 Huyett employs Risk-Based Thinking in order to manage the individual processes and the system as a whole. Use of Risk-Based Thinking enables Huyett to improve processes based on data evaluation and predict or prevent undesirable outcomes.

0.4 Relationships with Other Management System Standards

Currently, Huyett's MS framework is aligned with the ISO 9001:2015 International Standard.

1. Purpose, Scope and Users

1.1 Purpose

The purpose of this manual is to describe the Management System (MS) in operation at Huyett.

This manual is used to provide management and staff with an objective method of establishing and maintaining good work practices, so as to meet the objectives of our Quality Policy and the achievement of ISO 9001:2015.

The quality manual outlines the policies, procedures and requirements of Huyett's Quality Management system. The following processes, operations and internal factors at Huyett fall within the scope of our MS system. Huyett monitors external factors as listed below in 1.1.2 and reviews expectations of interested parties as stated in 1.1.3.

1.1.1 Internal Business Functions: purchasing, estimating, engineering, design, quality, sales, customer service, production control/scheduling, shipping, accounting, operations, and human resources. Some of the internal factors monitored are: company values, employee knowledge and performance of the organization.
1.1.2 Some of the external factors monitored by Huyett include: government and industry regulations, technological changes, market changes and economic conditions.
1.1.3 Huyett has processes in place to understand the needs and expectations of employees, customers, suppliers, regulators, and shareholders.

1.2 This manual will be revised and added to as necessary to reflect changes in quality requirements.

1.3 The management of Huyett has played an active role in the development of this MS and supports the policies described in the manual. All employees play a vital role in maintaining and supporting quality and the MS.

1.4 The MS in place at Huyett ensures that all employees have an understanding of both the company and customer quality requirements.

1.5 Our Quality Manual, procedures, and work instructions are maintained electronically. All printed copies are for reference only.

1.6 Customers are encouraged to provide feedback at any time about the service, quality, delivery, and performance of any Huyett product. We will continue to solicit customer feedback utilizing direct customer contact, e-tools, Scorecards and Etc. in order to determine the health of the company.

1.7 Scope

The Management System Manual (MSM) applies to the manufacturing and distribution of non-threaded industrial fasteners and customer special per print parts at Huyett.

1.8 Permissible Exclusions

Huyett does not engage in designing, developing, or changing the design of the products we manufacture. Thus, our Management System does not encompass product design and development processes and, therefore, paragraph 8.3 of ISO 9001 is not applicable to our business.

2: Normative Reference

2.1 Quality Management System References:

The following documents were used as reference during the preparation of the Quality Management system.

2.2.1 American National Standard ASQ /ANSI/ISO 9001-2015, Quality Management Systems – Requirements.

2.2.2 Perry Johnson Registers PRO-3, Registration Mark Procedure, latest revision available at www.PJR.com.

3. Terms and Definitions

3.1 For the purpose of this Quality Manual, Huyett references the terms and definitions listed in the current ISO 9000:2015 “Quality Management Systems Fundamentals and Vocabulary” document.

4. Context of the Organization

4.1 Understanding the Organization and its Context:

4.1.1 At Huyett, our mission is to build value for our customers through innovative, application-based design and manufacturing of compressed air filtration products, lubrication systems, protective coverings, and contract manufactured components and assemblies.

4.1.2 Huyett is committed to the principles and structure of ISO 9001:2015 and has chosen to utilize this quality manual as a method to organize our policies, procedures, and processes.

4.1.3 Huyett reviews external issues by: networking with industry peers, attendance at tradeshows, reading industry and business periodicals, discussions with suppliers, customers and competitors.

4.1.4 Huyett reviews internal issues by; reviewing KPI’s, 40X20 goal updates, ESS results, 1:1’s, Team huddles, Leadership meeting, company meetings, and listening to employees.

4.2 Understanding the needs and Expectations of Interested parties:

4.2.1 GL Huyett defines interested parties as customers, vendors, employees, governments, outside auditors, and shareholders.

4.2.2 Huyett believes that all employees play a vital role in quality, service, delivery and performance of any Huyett product.

4.2.3 Huyett shall encourage feedback from all interested parties, and shall monitor and review information relevant to its quality management system from this group of interested parties.

Examples of information being monitored are: On-time delivery, CSRs, RGA's, Quality Incidents, RMA's, Supplier reviews and Safety Meeting Minutes.

4.3 Determining the Scope of the Quality Management System:

4.3.1 This Quality manual has been prepared to describe Huyett's Quality Management System or QMS. Huyett defined our QMS scope in section 1.

4.4 Quality Management System and its Processes:

4.4.1 Huyett has established, documented and implemented a Quality Management system in accordance with the requirements of ISO 9001:2015.

4.4.2 **General Requirements.** The system is maintained and continually improved through the use of quality objectives, internal and external audit results, analysis of data, corrective and preventative action, and management review. Huyett has:

- Identified the inputs required and the outputs expected from the process. These are monitored by the use of Key Process Indicators.
- Identified the sequence and interaction of processes needed for the MS. See section 0.3.
- Determined criteria and methods needed to ensure the operation and control of the processes are effective. These are documented through the KPI's.
- Secured the continuing availability of resources and information necessary to achieve planned results and for the continual improvement of these processes through an annual planning and goal setting process;
- Assigned responsibility and authorities for these processes;
- Established systems to evaluate risks and opportunities;
- Established processes to identify and implement actions necessary to achieve planned results;
- Evaluate results to improve the processes within the MS.

4.4.3 Huyett maintains and retains documented information, process flow charts or work instructions to maintain confidence that the processes are being carried out as planned.

5.0 Leadership

5.1 Leadership and Commitment.

5.1.1 **General -**Management's commitment is demonstrated by the establishment of a Quality Policy and Objectives (Company KPIs) and the review of the MSM at least annually. Top management also demonstrates their commitment by the provision of adequate resources for the implementation of and maintenance of the MS.

5.1.2 **Customer Focus -** Upon receipt of a contract/order and prior to commencement of any work, provision shall be made for a detailed internal review (if required) of all contract documents by relevant personnel. If additional information or clarification is needed as a result of this review, then these matters shall be communicated to the relevant party by fax, e-mail, letter, or phone call, and under no circumstances shall processing of the order commence until all customer requirements have been acknowledged and agreed upon by the customer. Assessment of the contract/order, including any amendments, shall also confirm the availability of adequate and suitable resources, whether in-house or subcontracted, to satisfy all contractual requirements. Records shall be maintained as objective evidence that customer requirements have been addressed. As a part of customer focus, Huyett has developed customer scorecards to provide our top customers with fact based feedback on our performance to them.

5.2 Policy

5.2.1 The Quality Policy is established by top management and reviewed at least annually for applicability in terms of relevance to the Company's annual objectives.

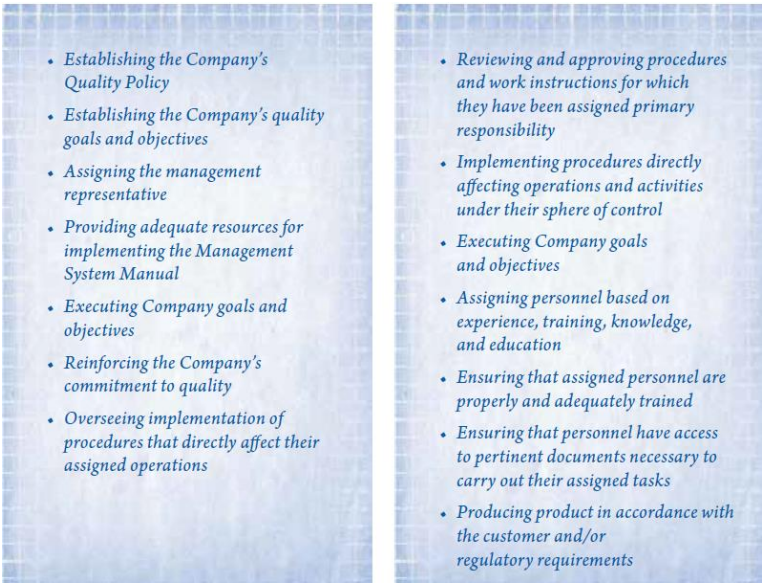
5.2.2 QUALITY POLICY - *Huyett is committed to a systematic approach that stimulates innovation and contribution by our stakeholders to continuously increase the value realized by our customers. (Revision 12/13)*

5.2.3 *Huyett's Quality Statement: Huyett is committed to innovation and contribution that provides value to our customers.*

5.3 Organizational Roles, Responsibilities and Authorities

5.3.1 An organizational chart has been established to show the interrelation of personnel in the Company. Job descriptions define the responsibilities and authorities of each of the positions on the organizational chart. Job descriptions and the organizational chart are reviewed and approved by top management for adequacy. These documents are available in the Human Resources Department. Huyett utilizes a World Class Performance Management System. Our Performance Management System consists of three different phases: Setting expectations, Feedback and Incentives, and Development. Each phase walks the employee, department, and Company through a progression of steps that utilize resources, systems, and practices that align with the Company's strategic objectives and focus on the productivity, contribution, and development of our employees. It must be emphasized that quality is not just the responsibility of nominated personnel but that of everyone in the Company.

5.3.2 Employees are responsible for carrying out assigned tasks as they apply to the Company's Quality Policy, procedures, and work instructions.



6.0 Planning

6.1 Actions to Address Risks and Opportunities

Huyett takes the following actions to address risks and opportunities within our organization.

6.1.1 Quality Management System Planning: Quality planning is done at the earliest possible stage to ensure Huyett's ability to satisfy specified results and requirements. The purpose of the process is to prevent or reduce subpar performance, to enhance the planned outcome, and to achieve improvement in the process, product, or procedure.

6.1.2 Quality planning may take place as a design project, through contract development, estimating, production review, during contract review and/or during order entry. These procedures enable GL Huyett to address risks and opportunities prior to starting production. In addition, these procedures allow Huyett to evaluate the effectiveness of the plan and to review the potential impact on the products and services.

6.2 Quality Objectives and Planning to Achieve Them

6.2.1 Top management ensures that business objectives, including those needed to meet requirements for product, are established at relevant functions and levels within the Company. The business objectives are measurable and consistent with the Quality Policy and Objectives. The business objectives are reviewed at various management meetings related to the MS.

6.3 Planning of Changes

6.3.1 The MS has been planned and implemented to meet our quality objectives and the overall Company business strategy/plan. Quality planning takes place as changes that affect the MS are planned and implemented. Huyett has an integrated talent review, resource planning, and succession planning process that is integral to its ability to meet the requirements of its Quality

Policy. In September of each year, senior managers facilitate a Talent Review and develop a Succession Plan based on business forecast so as to account for risk and human resource requirements in meeting its goals. A budget is developed base on forecasted sales and forecasted expenses associated with the resource requirements established in the (CAPEX) budget is created. These budgets are used to assist the management team in strategic planning and goal development in October, November, and December of each year. A one page Strategic Plan is developed and goals are cascaded to the individual contributor level for the following calendar plan year. Goal progress is managed in the plan year using a database tool, and goal achievement is integrated into the period performance evaluation process that all employees support with their managers. Merit pay increases are awarded based on performance. Employees are eligible for period profit sharing bonuses based on Company profitability, individual performance, and the productivity of all personnel. Company goals include specific objectives aligned to the Quality Policy and a business practice of continuous improvement.

7.0 Support

7.1 Resources

7.1.1 **General.** Huyett has implemented a MS that compiles with the ISO 9001:2015 standards. This implementation was achieved with management commitment and with sufficient resources for the implementation. Resources needed to maintain or improve the MS are identified and appropriated through management review meetings, monthly leadership meetings, and daily business communications between management and staff with consideration being given to capabilities and constraints on current resources as well as needs of Huyett's customers and vendors.

7.1.2 **People.** The development and training of people in order to successfully meet the requirements of the MS is a primary objective of GL Huyett. Functional Job descriptions have been established to determine effective implementation of the MS. Personnel are qualified on the basis of relevant education, formal training, on-the-job training, development plans period evaluations and experience.

7.1.3 **Infrastructure.** Huyett has determined and provided the infrastructure needed to meet quality objectives and product requirements. The infrastructure includes the building, production space, production equipment, assembly areas, tooling, workstations, carts, utilities, process equipment, computer systems and support services. A generator has been placed in service to ensure critical computer functions will remain on line in the effect of a power outage. Preventive maintenance records are kept for major product equipment items. Huyett has sourced secondary vendor relationship for key outside service or material requirements. Consideration of additional infrastructure and capital needs are discussed during production meetings, management meetings and planning/ budgeting sessions.

7.1.4 **Environment for the operation of processes.** A work environment suitable for achieving product conformance is maintained by Huyett. Management ensures that the appropriate human and physical factors of the work environment are provided. Consideration of such factors includes health and safety concerns, work methods, handling methods and working conditions. All employees are encouraged to suggest improvements in the work environment.

7.1.5 Monitoring and measuring resources

7.1.5.1 **General.** In order to ensure the quality and integrity of our products, GL Huyett maintains documented procedures necessary to validate the results of our products. In addition, Huyett maintains evidence of inspection or product compliance.

7.1.5.2 **Measurement traceability.** Huyett has determined that control of inspection equipment used to measure and test products is essential in verifying the quality of our products. Therefore, GL Huyett maintains detailed calibration procedures for gage inspection, frequency checks, and traceability to national standards. A database is maintained of these monitoring and measuring devices. The process used for their calibration is defined and includes details of equipment type, unique identification, and frequency of calibration.

7.1.6 Organizational Knowledge. Capturing organizational knowledge is a key to improving our performance at Huyett. All employees are encouraged to complete PIF's in order to capture this knowledge and have it added to our formal work instructions. The organization utilizes cross training and outside training to expand internal knowledge.

7.2 Competence

7.2.1 Training is an on-going initiative at Huyett. This is done to ensure the competence of employees related to customer requirements and our MS. Records are kept of employee training. Reviews are completed 3 times a year with an Annual review completed at years end are done to evaluate on-the-job training effectiveness, competency of specific tasks, and to review areas for development.

7.3 Awareness

7.3.1 The Company shall identify all functions that require skills that may influence the ability to perform specific operations, affect product, or service quality.

The Company:

- Determines the necessary competence for personnel performing work affecting conformity to product requirements
- Where applicable, provides training, or takes other actions to achieve the necessary competence
- Evaluates the effectiveness of the actions taken
- Ensures that personnel are aware of the relevance and importance of their activities and how they contribute to the achievement of the quality objectives
- Maintains appropriate records of education, training, skills, and experience

The Human Resources Department along with input from functional managers are responsible to determine competency requirements and to oversee the training process. Training requirements are defined in training plans, a training matrix, and/or employee evaluations. Records of personnel competence shall be maintained by Human Resources and/or department management and reviewed to ensure that they are updated and future needs identified and planned as necessary.

7.4 Communication

7.4.1 Methods of communicating the effectiveness of the MS include department and management meetings, management review, circulation of minutes of management review meetings, Internal Audit Closing meetings, KPI's, Scorecards and other routine business communication.

7.5 Documented Information

7.5.1 **General.** Quality system documentation is controlled by the use of documented procedures. Document control extends to electronic documents that are required by International standard or affect product quality. Controlled documents, current revisions and/or current versions are maintained on the Intranet.

7.5.2 **Creating and updating.** When creating or updating documented information, Huyett uses controlled processes to ensure appropriate identification, descriptions, format, and media requirements. In addition, these controlled processes ensure the new document or document changes are reviewed and approved for suitability and adequacy.

7.5.2.1 **Emergency Changes:** The Department Manager, Department Lead or Quality Personnel can make changes by writing the changes on any production related form. The authorized person making the change must initial and date the change on all copies of the documentation affected. Upon completion of the job, quality will review the changes, and update as necessary.

7.5.3 **Control of documented information.**

7.5.3.1 **General.** The access, storing and disposition of quality records are documented procedures. MS records are maintained to demonstrate conformance to requirements, ensure integrity, and to provide an audit trail.

7.5.3.2 **Activities.** The following processes address activities associated with controlled documents at GL Huyett:

- Customer service, production coordinator, engineering, quality, department lead, and end user shall ensure the correct revision or version, process prints, and specifications.
- Quality system documents and records are retained.
- Documents are controlled by the Quality department
- Quality and related records are retained as outlined in Huyett's Master Records List Policy. Quality and related records may be purged after expiration of the retention period and disposed of via normal means (trash or shredder), unless otherwise directed.

8.0 Operation

8.1 Operational Planning and Control.

8.1.1 Huyett plans and develops the processes needed for product realization. Planning of product realization is consistent with the requirements of the other processes of the MS.
In planning product realization, Huyett determines the following, as appropriate:

- Specifications and requirements for the product
- Establishes documentation and provides proper resources for the product
- Required verification, validation, monitoring, measurement, inspection and test activities, specific to the product
- Records are maintained as needed to provide objective evidence that the process and product meet requirements

The output of this planning is in a form suitable for the Company's method of operations. Planning output includes production schedules and shop work orders. The Manufacturing Department is responsible for planning production and for maintaining associated records.

8.2 Requirements for Products and Services.

8.2.1 **Customer Communication.** When a customer per print quote is received and prior to commencement of any work, a detailed internal review of all quote documents by Strategic Quotes will be conducted. This review shall confirm, as a minimum:

- That the scope of work is adequately defined
- Any applicable regulatory requirements
- Any relevant international, national and/or customer standards and specifications
- The level of quality assurance activity and quality planning requirements
- Any risks relating to new technology or short delivery time scales

If additional information or clarification is needed as a result of this review, then these matters shall be communicated to the relevant party by fax, e-mail, letter, or phone call, and under no circumstances shall processing of the order commence until all customer requirements have been acknowledged and agreed upon by the customer. Assessment of the quote/order, including amendments, shall also confirm the availability of adequate and suitable resources to satisfy all contractual requirements. Strategic Quotes has the responsibility for the completion of quote/ order activities, and to ensure that all relevant records are completed, maintained, up to date, and accessible. The data required in order to identify, purchase, manufacture, inspect, use, and maintain the product shall be identified. This may include:

- Drawings, parts lists, and specifications
- Definition of the configuration and design features of the product
- The information on the materials, processes, manufacturing, and assembly of the product required to ensure product conformity

8.2.2 In response to an inquiry from a customer related to a customer special part, the Strategic Quotes team shall take steps to adequately determine all requirements related to the product. This may include, but is not limited to the following:

- Requirements already specified by the customer

- Requirements not specified by customer but necessary for manufacturing
- Statutory and regulatory requirements, if applicable
- Any additional requirements considered necessary by Huyett

Customers placing orders for stock, off the shelf parts are subject to a review process as necessary to answer any questions related to the product being ordered. Specifications for stock parts are established and not subject to change.

8.2.3 Upon receipt of an order, and prior to commencement of any work, an internal review of all contract documents will be conducted by Sales. This review confirms, at minimum, the following criteria:

- Product requirements are defined
- Order requirements differing from those originally agreed upon are resolved
- Huyett has the ability to meet requirements

If additional information or clarification is needed as a result of this review, then these matters shall be communicated to the relevant party by fax, e-mail, letter, or phone call, and under no circumstances shall processing of the order commence until all customer requirements have been acknowledged and agreed upon by the customer. Review of the order, including amendments, shall also confirm the availability of adequate and suitable resources to satisfy all contractual requirements. Sales has the responsibility for the completion of contract review activities and to ensure that all relevant records are completed, maintained, up to date, and accessible.

8.2.4 **Changes to requirements for products and services.** Change orders are reviewed against the original order. Any changes that require amendments to process or product documentation will result in revising the affected documents and notifying all affected personnel.

8.3 Design and Development of Products and Services

Huyett does not engage in designing, developing, or changing the design of the products we manufacture. Thus, our Management System does not encompass product design and development processes and, therefore, Section 8.3 of ISO 9001 is not applicable to our business.

8.4 Control of Externally Provided Processes, Products and Services

8.4.1 **General.** Procurement of material and equipment shall be from sources which have been evaluated and approved by the Purchasing Department prior to inclusion on a list of registered vendors. The extent of control for procurement shall include vendor initial assessment and re-evaluation in accordance with Company procedure. A current list of approved suppliers for parts and components shall be maintained by the Purchasing Manager with input from the Quality Manager. The Purchasing Department is responsible for processing requisitions and orders taking into consideration the approved supplier list. This list shall be revised and updated as needed. Vendors shall be selected on the basis of their ability to meet supply requirements, cost, and the ability to meet quality requirements. All current or prospective vendors shall be

assessed, periodically reviewed, and controlled in accordance with Company procedures and/ or customer specifications. When required by our customer, Huyett shall use only customer-approved special process sources.

8.4.2 Type and extent of control. The Company establishes and implements the inspection or other activities necessary for ensuring that purchased product meets specified purchase requirements. Purchased product is verified by receiving inspection, review of supplier documentation, and verification of packing list quantities against purchase order listed requirements. Where the Company or its customer intends to perform verification at the supplier's premises, the Company states the intended verification arrangements and method of product release in the purchasing information.

8.4.3 Information for external providers. Purchase orders shall be generated and distributed in accordance with Company procedures and/or work instructions, and shall clearly describe the product or service required, part/drawing numbers and names, customer part number if applicable, quality requirements such as adherence to quality specifications as required and requirements deemed essential to Huyett. Purchase orders shall be reviewed and approved prior to release by authorized buyers at different monetary levels. Amendments to purchase orders shall be clearly identified with reference made to the original document.

8.5 Production and Service Provision

8.5.1 Control of production and service provision. The Company plans and carries out production and service provision under controlled conditions. Controlled conditions include, as applicable:

- The availability of information that describes the characteristics of the product
- The availability of work instructions
- The use of suitable equipment
- The availability and use of monitoring and measuring equipment
- The implementation of monitoring and measurement
- The implementation of product release, delivery, and post-delivery activities

Manufacturing is responsible for controlling all phases of the production process for product. The Receiving Department is responsible for controlling the product received and verifying requirements. Both departments are responsible for maintaining appropriate records of such activity.

8.5.1.1 The Company validates any processes for production and service provision where the resulting output cannot be verified by subsequent monitoring or measurement, and consequently, deficiencies become apparent only after the product is in use or the service has been delivered. Suppliers are required to demonstrate control over outsourced processes, and must provide objective evidence of controls and inspections when requested. A list of outsourced processes is provided below. Validation demonstrates the ability of these processes to achieve planned results. The Company establishes arrangements for these processes including, as applicable:

- Defined criteria for review and approval of the processes
- Approval of equipment and qualification of personnel

- Use of specific methods and procedures
- Requirements for records
- Re-validation

Validation of Processes

Process	Control
Heat Treating	Vendor Approval – Receiving Inspection
Plating	Vendor Approval – Receiving Inspection
Calibration	Vendor Approval – NIST standard verification
Material Testing	Vendor Approval – Accredited Certification

8.5.2 **Identification and Traceability**. The Company shall maintain traceability during each stage of production through to shipping to ensure that material or components are identifiable at all times. This shall be achieved and controlled in accordance with documented work instructions, labels, lot control, etc.; however, where required by contract, specifications, or regulations, additional identification criteria may be applicable. Where evidence that the product has been inspected and/or tested is available, records shall be maintained identifying inspector, testing data (showing actual results, where specified), and control of nonconforming product in accordance with the relevant Company procedure. A positive system shall be maintained for indicating inspection and test status by means of inspection records and work order annotation. Other control devices may be used as/when the need arises.

8.5.3 **Property belonging to customers or external providers.** Huyett exercises care with customer property while it is under the Company's control. Customer property can include intellectual property, including customer furnished data used for manufacturing and/ or inspection. Intellectual property is stored electronically and information is backed-up periodically.

8.5.4 **Preservation.** The Manufacturing and Warehouse Departments are responsible for preserving the product during internal processing and delivery to the intended destination in order to maintain conformity to requirements. As applicable, this preservation includes identification, handling, packaging, storage, and protection. Preservation also applies to the constituent parts of a product. Special handling techniques include the use of gloves to handle parts that could rust due to contact with human skin.

8.5.5 **Post-delivery activities.** When performing contract review, Huyett evaluates customer, statutory, and regulatory requirements, along with potential issues that may arise from the

intended use, intended lifecycle and/or installation of our products. In order to verify performance, GL Huyett utilizes several sources to collect data about customer perception as it relates to meeting customer requirements including on time delivery, customer feedback and customer claims.

8.5.6 Control of changes. In order to avoid unauthorized, unnecessary, or incorrect changes and modifications to the design or production methods of our products, as well as to avoid the risk of losing track and control of changes, Huyett policy is to have changes and modifications identified, documented, and reviewed and approved. This shall be controlled through the audit logs, change orders, revision numbers and/or part numbers.

8.6 Release of Products and Services

The inspection function shall ensure that all product is inspected in accordance with specified requirements. Records and data relevant to inspection activities shall be completed and applicable items shall be identified in the manner prescribed by the appropriate work orders, instructions, drawings, and/or specifications. Where practical, industry standard sampling plans are utilized. Nonconforming product shall be processed in accordance with the relevant procedure. Where evidence is available that the product has been inspected and/or tested, records shall be maintained identifying inspection authority, acceptance data, testing data (showing actual results, where specified) and control of nonconforming product in accordance with the relevant Company procedure.

8.7 Control of Nonconforming Outputs

Product that does not conform to product requirements and/or specifications is identified and controlled to prevent its unintended use or delivery. The controls and related responsibilities and authorities for dealing with nonconforming product are defined in a Company procedure. The term “nonconforming product” includes nonconforming product returned from a customer.

Non-conforming product shall be clearly identified and, where practical, segregated to prevent unauthorized use, dispatch, or mixing with conforming product and the relevant department/personnel shall be informed to include internal/external customers, suppliers, and/or regulatory agencies. Where a nonconformance is identified the Quality Manager shall be notified.

Suppliers shall be notified when cumulative analysis and/or records reveal increased nonconformity that indicate trends and effectiveness of remedial action. Use-as-is dispositions shall not be used unless specific approval from the customer. Any use-as-is dispositions shall be in writing from the customer and approved by appropriate Huyett personnel.

Department managers will make a determination of scrap material and disposition as appropriate with the input of the Quality Manager if needed. Trends of scrap material should be analyzed and corrective actions issued as appropriate. Product disposition as “scrap” shall be clearly marked and segregated from all other types of material.

9.0 Performance Evaluation

9.1 Monitoring, Measurement, Analysis and Evaluation

9.1.1 **General.** Implements monitoring, measurement, analysis, and improvement processes as needed:

- To demonstrate conformity of the product
- To continually improve the effectiveness of the MS

The conformity of the overall MS shall be established via the results of audits and analysis of data as per section 9.1.3.

9.1.2 **Customer Satisfaction.** In general, customer satisfaction is monitored through feedback from personnel in direct contact with our customers, self-directed customer scorecards, and tracking of customer service incidents. Feedback could include personnel in the field, visits by our customers to Huyett, or visits of Company personnel to our customers. It is the responsibility of department managers and/or top management to ensure that feedback is monitored and acted upon where necessary.

9.1.3 **Analysis and evaluation.** The Company shall ensure that relevant data is determined, measured, and analyzed in order to demonstrate the suitability and effectiveness of the MS and to ascertain areas where improvement of the effectiveness of the system can be made. This may include, but shall not be limited to information relating to:

- Customer satisfaction
- Conformity of product to requirements
- Characteristics and trends of processes and products including opportunities for preventive action
- Performance of suppliers

9.2 Internal Audit

9.2.1 Internal audits are conducted at planned intervals to determine whether the MS is effectively executed to Company procedures and/or applicable regulatory standards. System and department internal audits are conducted at least once per year. Frequency may increase due to customer complaints and/or internal/external nonconformities or repeat audit findings.

An audit procedure has been designed and implemented and identifies an audit schedule based on key processes and elements of the ISO 9001 standard.

The management overseeing the area being audited is responsible for ensuring that internal audit findings are addressed expediently to eliminate detected nonconformities and their causes. Follow up activities include the verification of the actions taken and the reporting of verification results.

The internal audit scope will cover all manufacturing, sales, warehouse, purchasing, and support processes and any related activity found during the process auditing approach. Audit checklists will be utilized when appropriate. The results of internal audits are documented, reviewed with

the personnel having responsibility in the area being audited, during management review meetings and archived.

9.3 Management Review

9.3.1 **General.** Top level management reviews the MS at management review meetings. These meetings are typically conducted on a Period basis. This review assesses the continuing MS suitability, adequacy and effectiveness, and identifies opportunities for improvement and needed changes. Records are maintained for each management meeting.

9.3.2 **Management Review Inputs:** The management review shall include:

- Results of internal and external audits
- Customer feedback
- Evaluation of the Quality Policy and Objectives
- Process performance and product conformity
- Status of preventive and corrective actions
- Follow-up actions from previous management reviews
- Changes that could affect the MS
- Recommendations for improvement

9.3.3 **Management Review Outputs:** Output from the review shall include:

- Decisions on Quality Policy and Objectives
- Any decisions and actions relating to improving the effectiveness of the MS
- Suggestions related to process or product improvement
- Improving customer satisfaction from customer feedback
- Resource requirements identified within the review process

10.0 Improvement

10.1 General

Huyett will continually look for opportunities to improve the MS and to meet or enhance customer satisfaction through the use of quality objectives, audit results, analysis of data and data trends, CSR, RGA, RMA, KPI and management review as examples.

10.2 Nonconformity and Corrective Action

10.2.1 A documented procedure for corrective action is in place to define the requirements of corrective actions. Corrective action may be taken to resolve nonconforming product at any stage of manufacture, whether identified internally or by the customer. The details of all corrective actions shall be fully documented. Where corrective actions are to be implemented long term and require procedural change, relevant documentation shall be reviewed and amended accordingly.

Where it is determined that the root cause of a nonconformity is the responsibility of a supplier, the supplier shall determine root cause and report corrective action when required. Completion of corrective action for internal non-conformances shall be the responsibility of the department head that is responsible for the respective area in which the nonconformity occurred.

10.2.2 Huyett will retain the documents associated with the non-conformity and the results of the corrective action in accordance with our document retention program.

10.3 Continual Improvement

Huyett shall continually improve the effectiveness of the MS through the effective use of the Quality Policy and Objectives, data related to Company metrics, corrective and preventive actions, through Management Review, Performance Management, Personal Development and Lean initiatives.