

## Bayu Undan / Darwin LNG Facilities Quality Agreement

<b>Commodity/Material Description:</b> Gaskets	
<b>Outline Agreement Ref. Nos.:</b> 4600026947 BU, 4600026948 DLNG	
<b>Doc No:</b> H8-10000063518	<b>Rev:</b> 1
<b>Prepared By:</b> P. Rogers	<b>Date:</b> 16 March 2010
<b>Checked By:</b> S. Thring	
<b>Approved By:</b> P. Rogers	

### 1 PURPOSE

ConocoPhillips uses "Quality Agreements" to formally agree with specific suppliers the general quality requirements which apply to that supplier. These requirements can vary from supplier to supplier even for the supply of the same or similar items. The requirements are based on the assessed quality standard of the supplier and the history of supply to ConocoPhillips. These "Quality Agreements" supplement the "Technical Delivery Terms" that can form part of a purchase order requirement. "Technical Delivery Terms" (TDT's) are for specific materials, items or commodity groups and specify the technical and test requirements for those items. "Quality Agreements" form part of the terms and conditions of an Outline Agreement and must be reviewed and accepted by the vendor as part of that Outline Agreement.

### 2 SCOPE

This agreement applies to the following:

#### 2.1 Commodity Group

- Gaskets

#### 2.2 Commodity Subgroups

- Spiral wound to ASME B16.20
- Ring type to ASME B16.20
- Flat ring synthetic fibre type (Klingersil C-4430 accepted by ConocoPhillips) to ASME B16.21
- Full face neoprene rubber gaskets to ASME B16.21
- PTFE envelope gaskets to ASME B16.21 and ASTM F336
- Gaskets for GRE systems (Kroll & Ziller type)

#### 2.3 ConocoPhillips Outline Agreement #

4600026947 – BAYU UNDAN

4600026948 - DLNG

#### 2.4 Business Entity

Klinger Limited, 38 Mc Dowell St, Welshpool, WA 6106

## **2.5 Approved Manufacturing & Warehousing/Distribution Locations**

- 38 Mc Dowell St, Welshpool WA (for CNAF and metal clad gaskets)
- 33-35 Gaine Rd, Dandenong South VIC (for spiral wound and Kamprofile gaskets)

## **2.6 Approved Sub-Suppliers**

As per Klinger approved sub-supplier listing

## **2.7 Approved Quality Representative**

The approved quality representative for the outline agreement is Len Thompson

## **3 REFERENCES**

ISO9001-2000

## **4 QUALITY SYSTEM REQUIREMENTS**

### **4.1 Quality System**

Klinger Limited shall maintain and operate a quality system that complies with ISO 9001-2000 as documented by the Klinger Ltd Quality Manual.

### **4.2 Statistical Sampling**

Klinger shall maintain the statistical sampling plan for each gasket type as specified in the Klinger Quality Manual procedure W605-1005 "Inspection Chart Sampling Plan".

### **4.3 Certification & Retention of Records**

All inspections and testing performed for items supplied to ConocoPhillips shall be carried out by a NATA accredited testing laboratory or an alternative testing laboratory subject to ConocoPhillips approval.

As required in the Technical Delivery Terms for this Outline Agreement Klinger Ltd are required to provide copies of EN10204 type 3.1 certificates for the ring type (traceable to product grade) to ConocoPhillips with each delivery. For these types of gaskets Klinger shall retain records in house for a period of 5 years that would enable deliveries of gaskets to ConocoPhillips to be correlated to individual sub-suppliers by Klinger Ltd.

For other types of gaskets Klinger Ltd shall retain the necessary records for a period of 5 years that would enable a correlation of each delivery batch of gaskets to ConocoPhillips with the manufacturing records including sub-supplier material, dimensional and other quality control tests as specified in the Klinger Ltd Quality Manual. Provided that Klinger can maintain those records ConocoPhillips does not require certificates of conformance to be provided with deliveries.

### **4.4 Non-Conformances**

Klinger Ltd shall maintain a register of all non-conformances of Gaskets (as per their Quality Manual) and make the register and results of improvements or corrective actions available to ConocoPhillips during contract review meetings or as required in the event of a gasket failure investigation.

### **4.5 Audits**

Klinger shall maintain an internal audit plan as specified in the Klinger Quality Manual. Klinger shall make available the results of both internal (and external ISO9001 certification) audits to ConocoPhillips on request.

ConocoPhillips retains the right to undertake audits based on contract renew period and/or changes and non-conformances recorded.

**5 SUPPLIER ACCEPTANCE**

In accepting this Quality Agreement, Klinger Limited undertake to advise ConocoPhillips (within 14 days of a formal and publicly available decision) of any changes to the following –

- The business entity.
- The products being offered and/or the manufacturing locations.
- Key sub-suppliers.
- The Quality Representative and/or the working location of the Quality Representative.
- Major revision to the approved Quality Manual.
- Approval status (by the certifier) of the certification of the ISO9001 quality management system.

Also Klinger Ltd shall notify ConocoPhillips immediately of any defect found in Klinger products that may impact on products supplied to ConocoPhillips previously.

By the signature below Klinger Limited accept the requirements specified in this Quality Agreement.

Signed  Name LEN THOMPSON of Klinger Limited

