SUPPLIER STANDARD OPERATING PROCEDURES

IMPORTANT *

These are the Supplier Standard Operating Procedures ("SOPs") of L&L Products, Inc. ("Buyer") and its affiliates. These SOPs are supplementary to the General Terms and Conditions of Buyer. They shall be construed as explanatory to each other. These SOPs and the General Terms and conditions are each a part of the contract between Buyer and each Supplier. Absolutely no deviations from the General Terms and Conditions or these SOPs are authorized except upon the written confirmation of an agent of Buyer who is authorized to permit such deviation. Supplier SOP will be reviewed and updated annually for conformance and Supplier review upon revision.

English is Primary / Binding communication language between L&L Products and Suppliers.

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1.0 Introduction *
L&L Products corporate purpose is “To be a good place for all who touch it – where quality of work, product and relationships are a priority.” We recognize the vital importance of our outside partner relationships, and our mutual long-term success. We take care to treat our partners in a fair and ethical manner, to listen, understand, and communicate openly and respectfully. We encourage our partners as well to collaborate with us and work to enhance our relationships.

1.1 Contacts *
A) Buyer contacts can be obtained by contacting Purchasing Department at: (586)336-1600.
B) Supplier shall provide appropriate contacts when requested to do so according to template sent by Buyer, or any time that personnel changes occur.

2.0 Delivery *
A) All shipments must be sent according to the routing instructions listed on the purchase order, including carrier of choice, freight terms, and FOB point or, if such information is not contained in the purchase order, according to the shipping terms contained in the General Terms and Conditions. Deviations from these instructions which increase the cost of the shipment may be charged back to Supplier.
B) Delivery frequency will be dependent upon the product type and volume, and may require daily delivery.
C) Supplier shall utilize FEFO (first expired, first out) inventory management for all product.
D) All shipments must be filled 100% complete, 100% on time and 100% correct packaging unless otherwise approved by Buyer. Supplier is responsible to support up to a 15% increase in current weeks release requirements compared to prior week’s requirements. Up to a 15% increase must be available to ship via normal transportation mode on the first schedule ship day of the current week. If Supplier is unable to meet a 15% increase, he may be charged back with any resulting premium transportation costs. Buyer and Supplier may define and agree upon appropriate safety stock levels by item, which may supercede this 15% requirement.
E) Short shipments that create risk of production downtime and must be expedited will be at the expense of Supplier. Any other additional expense incurred due to short shipment may be charged back to Supplier.
F) Overshipments must be approved by Buyer Material Analyst prior to shipment. Return of over shipped materials will be at the expense of Supplier.
G) Deviation in packaging must be approved by Buyer Packaging Coordinator prior to shipment. The repackaging of goods may be charged back to Supplier.
H) STOP signs are required on each pallet for all shipments for the first shipment of any item, engineering changes, samples, PPAP’s, material changes, or when requested by Buyer.
I) Authorization: Ship authorization is provided through a blanket release from the Buyer Material Analyst, which provides specific quantities and due dates for delivery requirements to Buyer. Fabrication authorization is determined by reviewing planning information on the Oracle isSupplier portal. Supplier is authorized to build inventory for the first two weeks of demand showing in the planning information. Buyer requests that Supplier keep a minimum of 5 days and maximum of 10 days of built stock on their floor at all times to meet ship requirements.
J) Any production of parts beyond the fabrication authorization is produced at Supplier’s risk.
K) Engineering changes and part build outs should be coordinated between Supplier and Buyer’s Material Analyst. Obsolescence claims will be considered if submitted within 30 days of occurrence. Supplier shall refer to the Claim Process Manual or contact Buyer Material Analyst for clarification.
L) Supplier is responsible to determine if any material being shipped is hazardous. Supplier is responsible to inform the freight company that the freight is hazardous material. Supplier prepares the shipping papers. Supplier is responsible for marking the packaging accordingly. Supplier is responsible for labeling the packaging accordingly. Supplier is responsible for providing the appropriate placards to the carrier.
M) All hazardous material shall be properly classed, described, packaged, marked, labeled, and in condition for shipment as required or authorized by the U.S. Government Publishing Office Code of Federal Regulations Title 49 Transportation of Hazardous Materials Parts 100 to 185 Hazardous Materials Regulations.
N) Supplier may be required to ship partial containers per releases in cases of launch or service parts
O) Supplier shall communicate 24 hours in advance of any short shipments. Communication must include shortage quantity and timing to meet demand.
P) Emergency Escalation Plan of Communication from Buyer to Supplier / Carrier begins with Supplier Customer Service. If Supplier has not satisfactorily responded to Buyer within 15 minutes of shut-down occurrence, issue is escalated to Supplier’s Manufacturing Manager, Plant Manager then President.
2.1 Order Confirmations

Supplier must confirm all releases that Buyer sends within 24 hours of receipt. Any shipments that are missed or mishandled due to releases that Supplier fails to confirm and that must be expedited will be at the expense of Supplier. Supplier must confirm receipt of order to the Material Analyst who placed the order (Not required if using iSupplier Portal or EDI).

2.2 Advanced Shipping Notifications

If requested by Buyer, Supplier shall provide Advance Shipping Notifications (ASNs) to Buyer for every order at the time the shipment leaves Supplier’s plant or warehouse facility. Method of communicating ASN will be determined by Buyer, and may include email, EDI, or other mode.

2.3 iSupplier Portal *

A) Buyer’s iSupplier Portal is a collaborative application that enables suppliers to communicate with Buyer and Planning teams. It enables suppliers to have real-time access to online information such as purchase orders, change orders, releases, shipments, planning information, and invoice status.

B) If required, Buyer will register Supplier to enable its use of the iSupplier Portal. Prior to registration, Supplier will be asked to provide a contact name and phone number, as well as a “group” email address that can be used by iSupplier for notifications and other communication.

C) For help with purchase orders, dates, quantities, shipments, etc., Supplier shall contact the appropriate planning representative at Buyer. For system-related questions or problems, Supplier shall contact Buyer’s IT Help Desk at 586-336-3456.

D) Supplier shall verify releases in iSupplier Portal daily.

2.4 Packaging *

A) Any part number shipping into Buyer or direct to a customer must have a packaging form approved by Buyer’s Packaging team. The packaging form, FCD-603-0002, needs to be completed in full and approved prior to PPAP. A form for both production and back-up packaging must be submitted.

B) Buyer’s weight limit for hand held totes or a box is 30 pounds gross weight.

C) Pallets used by Supplier must be a four-way entry pallet. Pallets must be in good working condition to support shipment.

D) Supplier must properly secure shipping units with stretch wrap or banding for product delivery.

E) Returnable containers purchased by Buyer will be provided to support 5 day’s worth of finished goods. If Supplier’s production strategy requires more than 5 days of inventory, parts must be repacked into returnable containers at Supplier’s expense prior to shipment.

F) Finished good returnable packaging provided by Buyer’s customer for Supplier must be utilized to the customer guidelines. Typically, this would be 3 day’s worth of containers depending on customer. Supplier’s production strategy needs to accommodate this requirement. Contact Buyer Packaging and Purchasing team if there is an issue in accommodating this requirement.

G) Returnable packaging shortages must be reported to Buyer Packaging team prior to running out of containers. A plan will be developed by Buyer Packaging team and Supplier for each situation. Supplier needs to have back-up packaging on hand to support production when needed.

H) When returnable packaging is unavailable, due to end customer or Buyer supply issue, request for expendable packaging expense reimbursement must be prepared and submitted according to Buyer guidelines. For instruction, clarification, and/or procedural verification Supplier shall contact Buyer Packaging Team.

I) Inventory of returnable containers will be required to be completed by Supplier on packaging provided by Buyer or Buyer’s customer. Report to include a summary of all empty and full containers along with weekly demand for each container size used. Contact Buyer Packaging team for more information on weekly communication of inventory.
2.4 Packaging, Continued

J) Supplier must coordinate with Buyer Packaging and Shipping team in setting up container returns in a timely manner to support production requirements.

K) Supplier is responsible for cleaning and label removal on all returnable packaging.

L) When packaging requirement is expendable, then Supplier is responsible for purchasing cartons, pallets, etc.

M) Expendable back-up packaging must match internal dimensions of the primary returnable container that it is replacing. When expendable dunnage is used in the primary pack, it must function in the back-up container in the same manner. The back-up container must have the same standard pack as the primary container.

2.5 Documents *

A) All packing slips, bills of lading, and invoices must show the following details:
   - Buyer Ship To Location
   - Buyer Purchase Order Number
   - Buyer Release Number
   - Buyer Oracle Item Number
   - For Chemicals: Product Name, Grade Number, and Lot Number
   - For Components: Part Number, Part Description (i.e., metal stamping RH) and Engineering Design Level Number (i.e., 123456 L00), Buyer Purchase Order Line Number
   - Gross Weight for Each Line Item
   - Net Weight for Each Line Item
   - Unit of Measure

B) Any required documents for import have to be prepared and provided by Supplier to prevent delays in clearance. Any cost resulting from delay due to lack or incomplete importation documents may be charged back to Supplier.

2.6 Identification of Product *

A) All material containers must be identified with:
   - Product Name
   - Lot Number
   - Buyer Item Number
   - Net Weight
   - Name and address of the responsible party

B) Supplier must be capable of producing properly formatted labels as defined by Buyer for purchased material, or as defined by Buyer’s customer for finished goods.

C) The Supplier is responsible to determine whether a material meets the definition of a “HAZARDOUS MATERIAL”.

D) All hazardous material shall be properly classed, described, packaged, marked, labeled, and in condition for shipment as required or authorized by:
   - CFR Title 49 Transportation of Hazardous Materials Parts 100 to 185 Hazardous Materials Regulations for US ground shipments;
   - International Air Transport Association (IATA) for air shipments; or
   - International Maritime Dangerous Goods Code (IMDG Code) for water on vessel shipments

E) The Supplier is responsible to prepare shipping papers. A shipping paper is any shipping document whose purpose is to communicate a hazard, and conforms to the requirements of the hazardous material regulations. SHIPPING PAPERS must contain:
   - Proper shipping name
   - Hazard class/division
   - Identification number
   - Packaging group
   - Emergency response information
   - Emergency response telephone number

F) Supplier is responsible for providing the appropriate placards to the motor carrier for a shipment.
2.7 Labeling and IT Requirements *

A) Supplier must be capable of producing properly formatted labels as defined by Buyer for purchased material, or as defined by Buyer’s Customer for finished goods. Where applicable, reference SDW-601-0002 Inbound Chemical Labeling Specification.

B) Finished goods labeling standards will be provided by the appropriate Buyer Material Group. Supplier must submit sample labels to Buyer for approval prior to first production run. Buyer will review labels for accuracy of content, format, readability, and scannability.

C) If Supplier manufactures finished goods, it is responsible for accuracy of label at time of shipment to Buyer. When line final customer information changes (line feed, dock code, handling code, etc.) all product must be relabeled. Buyer will inform Supplier weekly upon required changes.

D) Finished good labels must be printed from Buyer’s database, utilizing Buyer’s intranet. For current set up, equipment requirements, and specifications, Supplier shall contact Buyer.

E) If Supplier ships directly to Buyer’s Customer on Buyer’s behalf (drop shipments), it must be fully EDI compliant to receive releases and send ASN’s.

F) Supplier must be able to identify when a product was shipped into Buyer based on the inbound serial number.

G) At a minimum, Supplier (when shipping to Buyer) must provide the following labeling information on every container of WIP (work in process) or FG (finished goods) items:
   1. Buyer item number (bar coded)
   2. Buyer ship to plant location
   3. Buyer’s customer part number
   4. Quantity (bar coded)
   5. Unit of measure (bar coded)
   6. Buyer line feed
   7. Lot information (bar coded)
   8. Serial number (bar coded)
   9. Supplier manufacture date
  10. Expiration Date (shelf life) of product shall be entered on the part label.

2.8 Drop Ship Requirements (for Suppliers shipping direct to Buyer’s customer) *

A) Supplier must have a defined process for analyzing Buyer’s customer requirements on a weekly and daily basis. This process must be tied to the overall planning process at Supplier.

B) A metric for on time delivery must be established and updated weekly.

C) Supplier will need to be able to process non-production demand, prototype and launch requirements, which will not be communicated through EDI, and provide records of shipment to Buyer.

2.9 Delivery Windows

4.0 When delivery window times are defined by Buyer, Supplier must adhere to them.

5.0 All drivers must check in with the shipping/receiving department +/- 15 minutes of the established window time, before unloading product(s).

2.10 Damaged Product *

Without limiting any rights of Buyer to inspect any incoming goods, Buyer may return to Supplier any damaged, bent, or leaking containers. Any such shipments will be handled in accord with Charge Back Procedure (FCD-604-0005).

2.11 Supplier Debits *

Premium freight, overtime, or any other costs incurred due to quality issues or behind schedule conditions will be calculated and debited to Supplier account by Buyer when such actions are necessary. Any such instances will be handled in accord with Buyer’s Supplier Charge Back Procedure (FCD-604-0005).
3.0 Supplier Quality Requirements *

A) Buyer requirements for Supplier Quality Management System registration are based on clarification of requirements of ISO/TS 16949:2009 by the International Automotive Oversight Bureau (IAOB). These requirements represent the latest direction from the AIAG/IAOB, and are subject to change as additional Customer Requirements are released.

B) Supplier shall achieve and maintain accreditation to a third party certification. Buyer requires at a minimum certification to ISO 9001:2009 and compliance to ISO/TS 16949:2009. If Supplier ships direct to the Buyer’s customer, he shall achieve and maintain accreditation to a third party certification to ISO/TS 16949:2009. If Supplier maintains ISO 9001:2009, he must also be able to show compliance to the AIAG manuals (PPAP, SPC, APQP, MSA, and FMEA.)

3.1 Buyer Access to Supplier Facility *

A) Supplier shall permit Buyer and Buyer’s customers to inspect and verify any purchased product at Supplier’s and/or Supplier’s subcontractors’ premises.

3.2 APQP Requirements

A) APQP requirements are governed by the AIAG approved manual.

B) Supplier must support APQP by confirming receipt of tooling orders and commitment to due date.

C) At Buyer’s discretion, Supplier may be requested to participate in cross-functional gate review process meetings during new program development and launch, or tooling changes. The purpose of the Gate Review Process is to clarify all details of the project, including but not limited to: best practices, tooling, final part design, packaging, PPAP requirements, and scheduling.

3.3 PPAP Requirements *

A) Level 3 PPAP requirements are governed by the AIAG approved manual as well as additional Customer Specific Requirements. Supplier shall contact PPAP Coordinator for Customer Specific Requirements.

B) PPAP for Prototype Parts shall follow Customer Specific Requirements.

C) Supplier shall contact PPAP Coordinator for approval and submission requirement prior to any process changes which cause a change to the control plan or a deviation from the PPAP.

3.4 Product Specifications

A) All materials supplied to Buyer must be within the published product specifications.

B) No deviations from these specifications will be accepted unless specifically authorized by Buyer in writing prior to shipment. This authorization can only be provided by Buyer’s Director of Research and Development and/or Formulating Group Leader of Buyer. All material produced must be under the control and guidance of statistical process control methods. When required the documentation to support this should be available upon the request of an authorized Buyer contact (i.e. Quality Assurance Department, Process Engineers, Research and Development Department). These methods must show that processes are in control, capable and that measurement system variation is small compared to the specification range:

1. Control is typically shown via charts with control limits where all data is within the control limits, the chart shows no major trends, and histograms or other analysis shows normality.

2. Capability expectations are determined upon normal and in control processes via Capability Indices; such as, $C_{pk}$ and $P_{pk}$. Buyer’s expectations are that capability indices will be at $C_{pk} > 1.33$ and $P_{pk} > 1.66$. 

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3.4  **Product Specifications, Continued**

3. Measurement system variation is usually monitored and quantified via Calibrations and Gage Repeatability & Reproducibility Studies showing acceptable: accuracy (minimal bias), stability (minimal drift over time), linearity (minimal bias throughout the gage’s usable range), repeatability (same person, measuring same sample, using same gage) and reproducibility (different people using the same gage measuring the same sample). Acceptable Gage R&R’s are: \(< 20\% \) of the specification range.

Whenever Supplier is not able to meet the above criteria, it must have internal systems that recognize the issue(s) and drive improvements. These are typically preventative and corrective action processes.

C) Supplier must notify Buyer and obtain approval prior to the first production shipment, in the event of the use of another optional material than the one that was used in the previously approved production shipments, or any change in specification or process, source of subcontracting, or method of manufacture. Written approval shall be obtained and kept on file by Supplier, for future reference.

D) Any costs incurred as a result of material shipped to Buyer which is found to be out of specification, mislabeled, or otherwise contaminated will be charged back to Supplier.

3.5  **Certificates of Analysis** *

For the purpose of these SOP, a “Certificate of Analysis” is a certificate that complies with the requirements of ISO Guide 31.

A) Supplier shall prepare and provide with each shipment of any goods one or more certificates of analysis governing such goods.

B) Certificates of Analysis must include (without limitation) the following information: Manufacturing Company Name, contact name and phone, lot number, and lot number bar code, Buyer item number.

C) Specification ranges must be shown for any test results included on the Certificate of Analysis.

D) The test method must be identified for each test.

E) The unit of measurement must be shown for each test method result.

F) Certificates of Analysis must be e-mailed to Buyer’s Quality Dept. Supplier shall contact Buyer’s quality contact for email information.

G) Certificates of Analysis must be maintained by Supplier for a minimum of 24 months, and Supplier must obtain and provide any requested certificate of analysis within 24 hours of request by Buyer.

H) Each Certificate of Analysis provided to Buyer will be a representation and warranty by Supplier that every statement contained therein is true.

3.6  **Nonconforming Material** *

Controls of nonconforming product requirements as called out in section 8.3 ISO/TS 16949 standard are applicable in their entirety. Supplier must show evidence of a proactive approach to the identification of and reduction of nonconforming product in its process. Supplier must notify Buyer of any potential shipment of nonconforming product or failure to identify a clean-point at the Supplier location.
3.7 Corrective Action *

Supplier response to any corrective action requests issued by the Buyer must conform as shown below:
A) Initial response within 24 hours, including the Buyer’s Containment Buyoff Checklist, containment area layout, part specific containment inspection instructions, and re-inspection / validation plan.
B) Final response within 14 calendar days, including an effective problem solving document detailing the root cause(s), action plans with timing, and verification to validate effectiveness of actions. Corrective Action closure shall occur within 30 calendar days. Supplier is expected to continue to protect Buyer and Buyer’s customers until all action items are implemented and their effectiveness is agreed upon.
C) If it is determined that effective containment cannot be implemented by Supplier, and/or if repeat issues on the same part or material or similar process occur, Buyer has the authority to implement an independent company to assist in containment. In addition, multiple issues and / or repeat occurrences may result in a skip lot inspection at with costs to be borne by Supplier.
D) In addition to other costs incurred by Buyer, an administration fee up to $500 may be charged by Buyer for any corrective action request where the root cause is a Supplier issue.

3.8 Trade Agreement & AALA - Supplier Reporting Content Requirements

A) If Supplier is outside of North America, it must provide Country of Origin information. Certificate of Origin must be emailed directly to Buyer purchasing contact.
B) If Supplier is North American, it must provide NAFTA and AALA certificates, emailed directly to Buyer purchasing contact.
C) Certificates must be provided annually as follows.
   a. For each calendar year certificates must be received no later than October 1st of the preceding year.
   b. Certificates for parts that are launched during the calendar year must be provided immediately.
D) Supplier must provide to Buyer information for each part that it supplies to Buyer.
E) Buyer requires that all responses be given within the time frame specified so that Buyer may in turn, meet Buyer’s customers’ expectations. Responses must be complete and accurate, including the Buyer part number and the Supplier number as shown on purchase orders.
F) Supplier must submit the following information.
   a. NAFTA Certificate of Origin: A NAFTA certificate of origin that includes each part number that is supplied to Buyer must be completed and signed. The item level information must be provided on a continuation page (or pages).
   b. Statement of “Traced Value”: The “traced value” of each part number and its currency must be provided in a separate traced value field on the continuation page(s) that are attached to the NAFTA Certificate of Origin. If the part supplied to Buyer is not imported from a non-NAFTA country into a NAFTA country and does not incorporate any materials that are imported from a non-NAFTA country into a NAFTA country, Supplier should report the traced value as “0”.
G) Supplier is required by law under the AALA to respond to customer requests for information pertaining to the percentage of US/Canada content and the country of origin of passenger vehicle equipment.
3.9 Regulatory Conformity *

A) All purchased products and materials used in product shall conform to applicable regulatory requirements.
B) While on Buyer’s premises, all Supplier personnel shall comply with all Buyer safety and conduct guidelines, and all applicable regulations, including but not limited to: construction codes (electrical, mechanical) Occupational Safety and Health Administration (OSHA) construction safety requirements, etc. Supplier shall use appropriately licensed or certified personnel where required.
C) Cooperation from the supply chain will be necessary to determine whether products and assemblies contain conflict minerals. Clear understanding and accurate reporting can only be achieved through both engagement and transparency of the supply chain. In order to support accurate reporting, Supplier should:
   1. Determine which parts/assemblies incorporate one or more of the identified minerals or their derivatives;
   2. Map the supply chains associated with those same parts/assemblies; and
   3. Engage with its own suppliers to identify the smelters used in the supply chain to process the raw materials (or validate the origin of materials as recycled/scrap).
D) If Supplier is selected for shipping finished goods directly to Buyer’s customers, it shall be approved to Material Management Organizational Guidelines (MMOG) or equivalent standard. Upon approval, Supplier shall provide an annual self-audit to the MMOG or equivalent standard.
E) Supplier shall provide a Corporate Contingency Plan with contact information for any potential issues that deviate from normal business practice.
F) Injection mold Suppliers shall provide an injection mold process self-audit annually.

3.10 IMDS Requirements *

A) All substances used in production part materials shall be declared electronically in IMDS (International Material Data System) or in paper format by using a separate MDS (Material Declaration Sheet) from IMDS until Supplier has been registered in and connected to IMDS.
B) The IMDS declarations shall comply with Buyer’s reporting requirements and Supplier shall submit an approved IMDS declaration with the PPAP package.
C) The Supplier shall also complete the IMDS entry in the IMDS database a reasonable time period before the agreed PPAP-submission date.
D) Only this procedure will give Buyer the opportunity to approve the IMDS-entry prior to the Supplier’s PPAP submission date.
E) In case Buyer does not respond to the IMDS declaration before Supplier’s PPAP submission date, it is sufficient for the Supplier to submit only the IMDS entry confirmation with the PPAP package.
F) PPAP approval can only be done with an approved IMDS Declaration.
G) The IMDS Reporting help, explanation and user-guidelines are provided in the IMDS-Application/System.
H) Certain substances are classified as Restricted or Forbidden. Materials, components and products containing substances classified as forbidden must not be used. In case a forbidden substance is identified in the course of a development project, the Supplier must immediately notify Buyer. In this case and if the Supplier has designed or chosen the material, the Supplier must request a deviation approval using a Waiver Request Form. Buyer will perform a review of the received Waiver Request and return it to Supplier with the decision (approval or disapproval) written on it. The approved Waiver Request shall be included in the PPAP submission, if a forbidden substance is present in Supplier designed or chosen materials. In those cases the PPAP approval can only be done with an approved Waiver Request.
4.0 Sustainability *

Our success is built on a fundamental belief that growth comes as a by-product of being highly responsive and customer-focused, being entrepreneurial and far-sighted, and driving to achieve operational and innovation excellence in our business.

4.1 Supplier Performance *

Appropriate level of supplier performance monitoring in the areas of quality, delivery and sustainability will be completed, and periodic feedback will be provided to the Supplier. Improvement plans and/or escalation steps may be implemented for any Supplier with less than satisfactory performance.

4.2 Pricing

Supplier must communicate any requested price changes to Buyer in writing, along with the business case for the requested change and must allow 90 days to research market pricing. All price change requests will be negotiated, and awarded only if competitive. Buyer has absolutely no obligation to accept any change in pricing. No analysis by Buyer of any Supplier proposal and no negotiation by Buyer with Supplier with regard to price changes shall be construed as Buyer’s acceptance of any proposed price change. Only a writing signed by an authorized representative of Buyer that specifically identifies the affected contract will be binding on Buyer with regard to any price change.

4.3 Tax Exemption

Buyer is engaged as a registered manufacturer in the State of Michigan. Pursuant to Sections 205.54 and 205.94 of the Michigan General Sales Tax Act, where appropriate, certification will be provided to indicate that product(s) purchased are for use or consumption in connection with industrial processing, and therefore are exempt from sales tax.

4.4 Blanket Purchase Order

Supplier must review the accuracy of the blanket purchase order for price, design level, proper label detail, PPAP status, and product sales specification date (if applicable). Should there be any, Supplier shall forward a list of inaccurate items to Buyer for resolution.

4.5 Quotation Requirements *

A) Any quotations requested through the on-line Buyer RFQ form must be submitted through this tool for consideration. Other quotations shall be submitted by email to Buyer.
B) Any related CAD data for quote opportunities will be attached to the online RFQ form.
C) Any exceptions must be stated on the quote response.
D) Piece price and tooling detailed cost breakdowns may be required during or after the quoting process.

4.6 Continuity of Supply *

A) It is of utmost importance that Buyer avoids a shutdown situation at any of its own or its customer locations. The cost for an automotive plant shut down, and the irreparable damage to Buyer’s customer relationships, would be unbearable by Buyer.
B) Supplier must continue to supply all materials for as long as there are Buyer requirements. Any requested supply change or material rationalization must be reviewed with Buyer purchasing and technical personnel to develop an acceptable transition plan. Supplier shall contact Buyer for this at least 18 months in advance.
C) Supplier will be responsible for the costs involved in making any changes to materials.
4.7 Safety Data Sheets (When Applicable) *

A) No chemical shall be shipped or brought into any plant unless Supplier has provided to Buyer a Safety Data Sheet (SDS) that Buyer has reviewed and approved for that product.
B) Supplier must provide a paper copy of the SDS with the initial shipment of material to Buyer. Supplier must also email an electronic copy of the SDS to Buyer R&D Technical Information Specialist with the initial shipment at.
C) Supplier documentation must provide the CAS number for the item.
D) All SDS changes must be emailed to Buyer R&D Technical Information Specialist within 15 days of the revision date with a letter describing the change.

4.8 Canada’s Domestic Substance List (When Applicable) *

A) Each item should be listed on Canada’s Domestic Substance List (DSL).
B) For clarification of this requirement reference: http://www.ec.gc.ca/lcpe-cepa/eng/substance/chemicals_polymers.cfm

4.9 Service Parts (When Applicable) *

A) Supplier is required to produce service parts for up to seven (7) years after the final production date.
B) These parts will be supplied and shipped at the previously established production pricing.

4.10 Engineering Change Requirements (When Applicable) *

A) Supplier must provide a wire frame math model overlay to Buyer Product Development Engineer for all engineering changes, during the tool design review.
B) Supplier to submit a SREC (Supplier Request for Engineering Change) form to Buyer Purchasing contact for consideration for all Supplier driven engineering changes.
C) Supplier must coordinate changeover with Buyer Material Analyst to balance out inventory from previous level.
D) Deviations must be approved in advance by Buyer PPAP Coordinator or Quality Manager.

4.11 Tooling Standards (When Applicable) *

A) All tools built for Buyer and/or Buyer’s subcontractors must be in accordance with the direction provided by Buyer Injection Molding Manager.
B) Cold runners may be 10% maximum of the total shot size for any given mold.
C) All quotes must include a manifold. The cost must be called out as a separate line item on the quote.
D) The following information may be required on the part: (1) Customer Part Number, (2) Right Hand/Left Hand Designation, (3) Material Type (i.e. PA66), (4) Date Code, (5) Cavity ID, (6) Other information as stated on print
E) The following information is required on all molds: (1) Customer Part Number, (2) End Customer, (3) Mold Weight, (4) Shrinkage that mold is built to, (5) OEM Specific Tag Number.
F) Cavities and cycle time must provide 20% excess capacity over projected annual volumes.
G) Quoted lead-time is from Supplier receipt of purchase order to delivery of complete and accurate PPAP package, and the ability to support production requirements through tool and raw material readiness.
H) Buyer will designate a purchasing representative and/or engineer who will be responsible for: (1) Design Review, (2) Design Sign Off, (3) Mold Follow Up.

4.12 Tooling Status Reports (When Applicable) *

Tooling status reports must be submitted to the Buyer weekly until tool completion.
4.13 Payment on Tools (When Applicable)

A) Supplier shall not send in any invoice for tooling until the PPAP Part Submission Warrant (PSW) is complete and approved by Buyer. Supplier shall attach a copy of the signed approval to the invoice.
B) All tools must be completed to the satisfaction of Buyer (Purchasing, Process Engineer, Quality, Product Development, and Sales) based on any and all agreements between Supplier and Buyer.
C) All mold design information must be supplied to Buyer, for all design levels, for all tooling. This information will be on, but not limited to, paper and in data format readable by Buyer. This information will be labeled by design level.
D) All steel check information will be supplied to Buyer. This information includes, but is not limited to, a mold layout with Coordinate Measurement Machine (CMM) data, that will correspond with the mold layout.
E) It is understood that the above requested items will be delivered to Buyer at no additional charge.

4.14 Consignment Product Supplies (When Applicable) *

A) When requesting consignment components, seals or formulas Supplier must e-mail a pull sheet or an updated inventory. A physical inventory must be conducted monthly. Supplier is required to maintain a 95% yield on all consigned materials. Yields less than 95% which are the responsibility of Supplier may result in charge backs.
B) Return of Buyer consignment supplies, including pellets, must be approved by Buyer, and shall be conducted in a manner to conserve yield, shelf life, and total cost.
C) Supplier manufacturing practices shall incorporate each plants specific need for shelf life of consigned material, fabrication authorization, and notification to Buyer when significant production interruptions occur.
D) Supplier shall utilize FEFO (first expired, first out) inventory management for consignment product.

4.15 Purchase of Material from Buyer (When Applicable) *

A) Supplier shall issue blanket purchase order for items to be purchased from Buyer, based on item number and pricing provided by Buyer.
B) Buyer will assign a materials/planning person to handle releases and communications related to items purchased from Buyer.
C) Supplier shall contact its designated materials/planning personnel regarding material issues or request for return. No items will be accepted for return without prior approval of Buyer.
D) Supplier shall provide a 2 week lead time when ordering proprietary seal material from Buyer.
E) Supplier shall provide a 10 week lead time when ordering components that need to be purchased by Buyer (push pins, stampings etc.).

4.16 Processing of Buyer Proprietary Material (When Applicable) *

A) If Supplier processes proprietary Buyer seal material, following instructions apply:
   a. Supplier is required to adhere to Buyer labeling standards. In addition, Supplier may be required to do in house testing of Buyer’s material. For instruction, clarification, and/or procedural verification, Supplier shall contact Buyer.
   b. Supplier must ship product to Buyer within the allowable minimum shelf life requirements which varies by customer plant. This should be clarified at the time of PPAP.
   c. Supplier must verify revision level of instruction on an annual basis (at a minimum).
   d. Supplier shall not use any silicone based products on or near Buyer proprietary seal material.
   e. Supplier must avoid seal material exposure to moisture at all times. All seal material and/or parts that are exposed to water must be immediately dried.