

Toledo Molding and Die, LLC Category C

SUPPLIER GENERAL PERFORMANCE REQUIREMENTS

Category C - Production components used in the assembly or manufacture of parts except for plastic resins

A. COMMERCIAL

1. All contracts are subject to the terms and conditions as referenced on our website at <http://www.tmdinc.com>.
2. The following items must be sent to TMD prior to being approved as a new supplier:
 - (a) Signed New Supplier Approval Letter
 - (b) Signed Non-Disclosure Agreement
 - (c) Completed EDI Questionnaire
 - (d) ISO 9001/IATF 16949 Certificate (if not certified, forward a schedule of approval or audit dates and supplier must meet IATF [minimum sub-tier requirements](#))
 - (e) CCC Certificate, Implementation Rule numbers CNCA-C11-09:2014 and CCAP-C11-09:2014, if applicable.
3. The contract number and purchase order number that are generated with the first release must appear on invoices, B/L documents, cases, packing list and all correspondence.
4. Any shipment of parts against the contract/purchase order constitutes acceptance of the order and of TMD's terms and conditions.
5. Terms and conditions proposed by seller which are different from or in addition to the provisions of the contract or TMD's terms and conditions are unacceptable to buyer, are expressly rejected by buyer, and shall not become a part of the contract. In situations of conflict, the contract will take precedence over TMD's terms and conditions.
6. Prices will not be adjusted for economics (e.g. raw materials, purchased parts, labor, burden, etc.).
7. Payment to be issued N60 days from date of invoice.
8. English language is to be used in the interpretation of All business communications.

B. PERFORMANCE CRITERIA

1. 100% on time.
2. PPM's monitored for continuous improvement.
3. Excess freight occurrences monitored for continuous improvement.
4. QR's (quality rejects) must be maintained at zero level.

C. MATERIALS & SCHEDULING

1. Delivery at location during specified receiving hours.
2. Box delivery = corrugated on skids Bags = bag shrink wrapped on skids.
3. Change of delivery at least 72 hours in advance done by email **and** by phone to receiving plant.
4. ASN's as required per plant MP&L departments.
5. Shipment Documentation (Each Delivery) must include:
 - (a) Packing slip.
 - (b) Bill of lading.
 - (c) Weigh ticket with bulk shipments from TMD approved scale.
 - (d) Material certification including but not limited to as required:
 1. Material certification formats to be signed off by TMD.
 2. A blanket statement stating that this lot meets the appropriate specification.
 3. Each test requirement called out on the specification.
 4. The results of each test.
 5. The certification must be sent with the shipment or faxed to the appropriate plant before the shipment arrives.

Toledo Molding and Die, LLC

Category C

6. Supplier label specifications:
 - (a) See TMD supplier label specifications standards.
 - (b) Bulk tanker shipments: label to be with shipping documents.
 - (c) General label AIAG standards, if not covered directly by TMD standards.
7. Material authorization: Weeks 1-2 fabrication finished goods only, weeks 3-6 raw material only, week 7 through future forecast only. All quantities based on cumulative material releases. Material authorizations are non-cumulative; example raw material authorization is **NOT** 2 wks plus 6 for a total of 8 weeks. Total raw material authorization is 6 weeks.
8. Lead time authorization exceptions beyond 6 weeks must be noted on the purchase order, as negotiated by TMD corporate purchasing.
9. Minimum order quantities that exceed source award/launched 6 week material authorizations must be noted on the purchase order, as negotiated by TMD corporate purchasing. Minimum order quantity does not apply to the last shipment before a coordinated engineering change or balance out.
10. Return policy - No restock charges for defective materials.
11. Lot traceability program –documentation to be provided as requested.
12. Capacity verification required for sourcing and with significant changes contracted volumes

D. BALANCE OUT & OBSOLESCENCE CLAIMS & SERVICE ORDERS

1. Obsolescence claims must be filed in writing within 15 days of final release date or balance out notification date to plant MP&L.
 - (a) If no notice is received within the time period, assumed to be at no cost to TMD.
2. Claims are based on high point cum analysis.
3. Service order requirements; supplier to maintain tooling and capability for 10 years after mass production balance out date and tool cannot be scraped without TMD written authorization from Manager level or higher.

E. LOGISTICS & ROUTING

1. Follow plant specific instructions for daily routing.
2. Excess transportation/expediting should be pre-approved in writing by receiving plant.

F. QUALITY

1. Meet Customer/OEM specification and/or TMD specifications and Quality systems requirements. Engineering specification per application.
2. Track continuous improvements of significant characteristics.
3. During notice of quality rejection, TMD requires:
 - (a) Containment of any suspect material as soon as possible after receipt of notice of quality rejection.
 - (b) Notification of the quantity of certified stock which is able to ship, when it can ship and how it is labeled within one working day.
 - (c) Initial 8-D (or TMD customer specified format), if requested, including containment within one working day.
4. Defective material will be returned for full credit or destroyed at no cost to TMD. Reworked parts to be approved by TMD in writing before return of said parts to TMD.
5. Supplier can close 8-D, after completion of section 7. However, TMD reserves the right to reopen, or require (or TMD customer specified additional information).
6. Supplier may be charged for defective material and/or TMD downtime and/or customer downtime.
 - (a) TMD may charge back supplier for administrative charges on defective goods or services.
7. Notification to TMD within 24 hours of process changes when a failure might pass through TMD processes undetected and/or a potential impact to TMD's customer.

Toledo Molding and Die, LLC Category C

8. Ongoing destructive testing to be at supplier expense.
9. TMD reserves the right, with proper notice, to verify that the purchased product conforms to specified requirements at the suppliers' premises. TMD's customers shall be afforded a similar right with prior notice.

G. WARRANTY

Suppliers must adhere to TMD's Customer/OEM Warranty procedures, including the GM 50/50 Warranty Share Procedure and the Chrysler Warranty Procedure.

1. During notice of quality rejection, TMD requires:
 - (a) Containment of any suspect material as soon as possible after receipt of notice of quality rejection.
 - (b) Notification of the quantity of certified stock which is able to ship, when it can ship and how it is labeled within one working day.
 - (c) Initial 8-D or TMD customer specified format, if requested, including containment within one working day.
2. Defective material will be returned for full credit or destroyed at no cost to TMD. Reworked parts to be approved by TMD in writing before return of said parts to TMD.
3. Supplier can close 8-D, after completion of section 7. However, TMD reserves the right to reopen, or require TMD customer specified additional information.
4. Supplier may be charged for defective material and/or TMD downtime and/or customer downtime.
 - (a) TMD may charge back supplier for administrative charges on defective goods or services.
 - (b) Supplier might be charged admin and warranty pass-through charges.

H. SAMPLING & NON-PRODUCTION DELIVERIES

1. Retain lot sample at supplier location for a minimum of 1 year. TMD location may request lot retains in addition to supplier retains.
2. Non-production: sample parts, pre-PPAP parts, or other nonproduction parts must be labeled and documentation must be clearly marked as not for production. Suppliers are expected to use the TMD "Not For Production" label as directed by the TMD plant. The label can be found on the TMD website and by clicking here: <http://www.tmdinc.com/MP&L2.html>

I. SYSTEM CERTIFICATIONS

1. ISO 9001 based system (Typically IATF16949/ISO9001). Must have current valid certificate. If supplier is not ISO certified, TMD may elect to do surveillance audit.
2. CCC requirements-current CNCA-C11-09-2014 and CCAP-C11-09:2014 requirements, if applicable.

J. TESTING AND ENGINEERING REQUIREMENTS

Supplier to meet any TMD customer-specific requirements, including, but not limited to:

1. Monitoring and measurement of product (ISO 9001 / IATF 16949 cl. 8.2.4, 8.3.4). Engineering Specification (ES) Test Performance Requirements. The goal of ES testing is to confirm that the design intent has been met. Suppliers must perform agreed to ES testing as noted on the print. If requested by TMD Engineer, ES and performance test results are to be delivered annually. ES test failure shall be cause for the organization to stop production shipments immediately and take containment actions. The organization shall immediately notify TMD Engineering and/or purchasing.
2. Layout Inspection and Functional Testing (ISO 9001/IATF 16949 cl. 8.2.4.1). A layout inspection and functional verification, ES test, etc. (to all engineering material and performance requirements) shall be performed annually. The measurements shall be documented on the Production Part Approval – Dimensional Results form CFG-1003 or equivalent. Reference AIAG PPAP Manual.

Toledo Molding and Die, LLC

Category C

3. Annual material certifications and batch specific certifications to be provided as requested.

4. Special Process Assessments

Where applicable, organizations shall annually assess the effectiveness of the applicable special process listed below using the corresponding AIAG manual: (or others that may not be limited too).

- Heat Treating –CQI-9
- Plating-CQI-11
- Coating-CQI-12
- Welding-CQI-15
- Soldering-CQI-17
- Molding-CQI-23
- Warranty- CQI-14

The organization shall maintain the assessment reports and other evidence of compliance to the applicable assessment at the organization's site and **make them available to TMD upon request**. Completed assessments conducted by the organization, or sub-suppliers or other party do not relieve the organization of full responsibility for the quality of supplied product.

Evaluation of Special Process Assessment implementation effectiveness is based on evidence that the organization has processes in place that:

- Identifies Auditors
- A schedule for annual self-assessments
- Monitors progress
- Defines corrective actions
- Controls and keeps records
- Defines supplier development

This requirement shall also apply to suppliers to the organization pursuant to ISO 9001/IATF 16949 Clause 7.4.1.2 (supplier development clause). 2nd Party assessment by a competent auditor and meeting the above requirements will satisfy the self-assessment requirement.

5. OEM Control Characteristic.

The following control shall be included in the Control Plan for fasteners that are Control Items:

Material Analysis - Heat-Treated Parts

Prior to release of metal from an identified mill heat, a sample from at least one coil or bundle of wire, rod, strip, or sheet steel shall be analyzed and tested to determine its conformance to specifications for chemical composition and quenched hardness. A sample from each additional coil or bundle in the heat shall be tested for either chemical composition or quenched hardness. The results shall be documented and referenced to the steel supplier's mill heat number. This requirement applies to both purchased material and material produced by the organization. Note: external material test facilities used shall meet the requirements specified in section 4.36 of this document

(Laboratory Requirements). Material Analysis - Non Heat-Treated Parts

The identification of each coil or bundle of wire, rod, strip, or sheet steel shall be visually checked to determine that the mill heat number agrees with the steel supplier's mill analysis document and applicable specifications. Each coil or bundle shall be tested for hardness and other applicable physical properties.

6. PSO, Forever requirements, DV, PV testing and complete annual layout as Stated in #2 and # 3 above.

7. Notification to TMD within 24 hours of an ES test failure (DV, PV, or In-Process) for which the

Toledo Molding and Die, LLC

Category C

supplier is responsible.

K. 3RD PARTY SORTING, AUDITS & QUALIFICATIONS

1. Supplier must use approved sources.
2. Supplier must publish results daily to TMD.

L. PPAP & PSW

1. PSW level as required by TMD Plant Engineering via FTP site. **“Suppliers must incorporate OEM and TMD designated characteristic (including safety and regulatory items) into PPAP requirements”**
2. Approved PSW cover sheet to TMD Corporate Purchasing from supplier.
3. Material must be entered into IMDS database. New or changed material entered at least 5 days prior to TMD PPAP date. Contact TMD site for specifics or go directly to the official IMDS website at <https://mdsystem.com/index.jsp>.
4. Fit and Function testing criteria as required.

M. INDUSTRY STANDARDS

Supplier is expected to meet or exceed the following industry standards as applicable:
(Note: Suppliers are to obtain their own copies as required.)

1. AIAG - Automotive Industry Action Group.
2. FSP6 - Ford Supply Practice 6.
3. PPAP - Production Part Approval Process.
4. APQP - Advanced Product Quality Planning.
5. SPC - Statistical Process Control.
6. PSO - Part Sign-Off.
7. MMOG – AIAG Materials Management Operations Guidelines (self-Assessment)
8. A2LA - American Association for Laboratory Accreditation.
9. Specific industry standards will apply to purchasing even if not specifically called out here.
10. VDA 6.3 German Automotive Standard
11. CCC-CNCA-C11-09-2014 and CCAP-C11-09:2014 requirements

N. PROOF OF INSURANCE & WORKMAN COMP

1. See minimum standard in TMD’s Terms & Conditions located on website at www.tmdinc.com.

O. ENVIRONMENTAL, SAFETY & OTHER REGULATORY RULES

1. Follow TMD safety and workplace rules per facility.
2. MSDS to be supplied to TMD at source award.
3. Supply TMD with updated MSDS upon changes.
4. Compliance with environmental standards/regulations.
5. Exchange of environmental expertise as appropriate.
6. Competency certificates available upon request to TMD to demonstrate supplier’s employee competency in work areas.
7. As applicable suppliers are required to follow category J general requirements including but not limited to “ON SITE REQUIREMENTS”