

**SUPPLIER EXPECTATIONS****SD.7.4.2.01****REV: 02****CREATED BY:****T. Wygant****APPROVED BY:****T. Wygant****10 December 2010****1 Supplier Qualification**

- 1.1. Pliant Plastics Corporation (PPC) evaluates suppliers based on their ability to meet quality, delivery, & total cost of delivery requirements. Qualified suppliers of production materials are encouraged to develop & implement a quality management system (QMS) based on the process management approach of ISO9001 quality systems requirements. Suppliers will be given preference based on achievement of the following QMS development milestones:
- Certified to ISO/TS16949 by a accredited third party register
  - Certified to ISO9001 by a accredited third party register & self certified as compliant to ISO/TS16949 automotive requirements
  - Certified to ISO9001 by a accredited third party register with a documented plan for compliance to ISO/TS 16949 automotive requirements

**2 Initial Quotations**

- 2.1. Engineering drawings, required specifications, expected annual quantities, delivery quantities, or other special requirements normally accompany a Request for Quotation (RFQ). The RFQ must unambiguously specify the material or services to be provided. Suppliers are encouraged to question any RFQ they feel does not clearly describe all requirements in unambiguous terms.
- 2.2. Quotations submitted to Pliant Plastics Corporation must include pricing for each quantity break specified, FOB/freight information, & any other anticipated costs to provide the product as requested.

**3 Production Part Approval Process**

- 3.1. Manufactured-to-design automotive components require compliance with all applicable pre-launch, production, & service requirements as prescribed in the current Automotive Industry Action Group (AIAG) Advanced Product Quality Planning & Control Plan (APQP) Manual.
- 3.2. Manufactured-to-design automotive components require Production Part Approval Process (PPAP) approval to the level specified on the RFQ. Unless otherwise specified, the default submission requirement is a Level 3 PPAP as defined in the Retention/Submission Requirements Table of the current AIAG Production Part Approval Process (PPAP) Manual.
- 3.3. Preliminary Process Capability Studies are required for designated Safety, Key, Critical, or Significant Characteristics that can be measured using variable data. The number of parts sampled, methods, & capability requirements are as defined in the current AIAG PPAP Manual, unless otherwise specified in writing.
- 3.4. Material &/or performance tests are expected whenever chemical, physical, metallurgical, or performance requirements are specified on the engineering drawing or purchase order. Specific requirements for material tests & reports are as defined in the current AIAG PPAP Manual, unless otherwise specified in writing. The supplier is expected to have current revisions of required automotive or other industry specifications & will provide a copy to Pliant upon request.
- 3.5. Requirements for non-automotive production part approval will be specifically prescribed on the RFQ & initial purchase order. Where applicable, one of the AIAG submission level requirements will be utilized.

**4 Purchase Order Receipt & Verification**

- 4.1. The supplier shall verify all purchase orders (P.O.) issued by Pliant Plastics Corporation upon receipt. Any discrepancies in price, quantity, specifications, packaging, or delivery requirements must be communicated to & resolved with PPC Purchasing before taking action on the purchase order.
- 4.2. The supplier accepts responsibility for compliance with the current PPC purchase order terms & conditions by accepting & acting upon the P.O. The current P.O. terms & conditions are specified in Pliant Supporting Document SD.7.4.1 .01, available on the Pliant Plastics web page, [www.pliantplastics.com](http://www.pliantplastics.com), or by request from Pliant Purchasing.

**5 Material & Process Certifications**

- 5.1. When requested on our P.O., material certification &/or process certification to automotive or other industry specifications must accompany the shipments when delivered, unless otherwise arranged.
- 5.2. Material certifications must have lot test data attached specifically showing the specification requirements & results of the tested lots. Certifications must refer to the shipment lot, shipment date, PPC's purchase order number, & the name of the specification the product is being certified to.
- 5.3. Copies of lab accreditation are required if materials are being tested & certified by commercial laboratories. New proof of accreditation must be sent when expiration has occurred.

**SUPPLIER EXPECTATIONS****SD.7.4.2.01****REV: 02****CREATED BY:****T. Wygant****APPROVED BY:****T. Wygant****10 December 2010****6 *In-Process Control of Critical Product or Process Characteristics***

- 6.1. Suppliers must establish in-process controls for any print designated critical (special, functional, etc) characteristics. Normally these characteristics are designated by the end-customer with design responsibility, although Pliant Plastics Corporation may designate additional characteristics critical to our injection molding operations. Critical characteristics will either be evident on the referenced print or specifically identified on the purchase order requirements.

**7 *Statistical Process Control (SPC) Data***

- 7.1. If specified, the supplier shall provide appropriate SPC charts demonstrating statistical control of a capable process.  
7.2. SPC charts must identify the product inspected by sampled lot numbers & PPC's part number

**8 *Conformance to Specifications***

- 8.1. Pliant Plastics Corporation expects all materials & components to arrive defect free. "Zero Defects" must be the standard that all suppliers accept responsibility for & strive towards.  
8.2. Product is expected to meet all purchase order & reference engineering drawing specifications unless a "Request for Deviation" is submitted by the supplier prior to shipment & approved by PPC Quality Assurance in writing.  
8.3. The supplier is expected to quickly respond to notifications of nonconforming material, contain, & sort or replace suspect or defective product as necessary to meet PPC production requirements. The supplier will ensure the defect is effectively contained until effective corrective actions have been implemented & verified.

**9 *Supplier Corrective Actions***

- 9.1. Suppliers are expected to respond promptly to any quality & delivery problems. Initial corrective actions to contain the problem & prevent or alleviate disruption of production at PPC must be initiated immediately upon notification of a problem. Written documentation as to the containment actions performed & results must be submitted to Pliant Plastics Corporation's Quality Assurance Department no later than the next business day after notification.  
9.2. Suppliers must follow-up with corrective actions to determine root cause of the occurrence & implement solutions to prevent recurrence. A written explanation of actions taken &/or planned will be expected in writing within 2 weeks from the date of occurrence. Ford's 8-Discipline Problem Solving Approach is the preferred response. Corrective action must adequately address the root cause/s of both occurrence & escape (non-detection at the supplier's facility).

**10 *Dock-to-Stock Certification***

- 10.1. After 15 shipments without quality issues (10 shipments for ISO/TS certified suppliers), Pliant Plastics Corporation's Quality Assurance Department will review parts for consideration of "Dock-to-Stock" certification.  
10.2. Submitted process control data, if applicable, will be evaluated. If the data indicates that the supplier has a process that is consistently in-control & exhibiting a capability index of 1.33 or greater, Pliant Plastics Corporation may certify the supplier's parts "Dock-to-Stock" & eliminate the requirement of forwarding SPC data. The supplier shall retain process control data for certified parts or characteristics at their location & provide the data to PPC upon request.  
10.3. Supplied parts without a requirement for submitted SPC data will be evaluated based on part criticality & historical background with the supplier & similar product.

**11 *Packaging & Transportation***

- 11.11. Weight per container must be limited to 40 pounds or less, unless otherwise authorized in writing.  
11.12. Unless otherwise specified, it is the responsibility of the supplier to determine the appropriate means to ensure product arrives on time & undamaged. Pliant Plastics Corporation works off the premise that the supplier knows their product & process best & should have the expertise necessary to determine the appropriate packaging & transportation at quotation.  
11.13. Unless otherwise specified, corrosive un-plated/un-painted metal components will be delivered with a light rust preventative coating, such as Rustbeat 198 pre-mixed oil/mineral spirit combination or equivalent. A spin & dip operation is the preferred application method. The protective coating shall be very light with a paper pack to prevent seepage.  
11.14. Expediting charges for shipments must be authorized ahead of time to receive payment by Pliant Plastics Corporation. Pliant Plastics Corporation will only pay expedited costs when adequate lead-time has not been provided based on the supplier's committed to lead times. Deliveries being expedited due to delays at the supplier's facility or due to returned non-conforming product will be at the subcontractor's expense.  
11.15. Subcontractors are required to track all incoming & outgoing premium freight expenses they incur & have the data available if requested by Pliant Plastics Corporation.

**SUPPLIER EXPECTATIONS****SD.7.4.2.01****REV: 02****CREATED BY:****T. Wygant****APPROVED BY:****T. Wygant****10 December 2010****12 *Delivery Expectations***

- 12.1. Pliant Plastics Corporation expects 100% on-time delivery. Deliveries are considered on time if the required product, as specified on the P.O. or release, is received on the due date or up to 2 days early. Delivery & Quality performance measures are sent to the Supplier quarterly.
- 12.2. Suppliers are expected to notify Pliant Purchasing on or prior to the due date whenever a delivery date will not be met.
- 12.3. Standard receiving hours are 8:00am to 4:30pm, Monday through Friday, announced holidays excluded. Deliveries will not be accepted outside of these hours unless specific arrangements have been made & approved by Pliant Plastics Corporation's Purchasing Department.
- 12.4. Applicable documents, such as packing lists, material certifications of conformance, certificates of analysis, material safety data sheets, etc., must arrive with or prior to receipt of the shipment.

**13 *Packing Lists & Shipping Labels***

- 13.1. Packing lists must contain the PPC part number, manufacturer's part number, all lot numbers in the shipment with quantities per lot, P.O. number (preferably to include PO line number), number of cartons, quantity per carton, & total quantity shipped.
- 13.2. Shipping labels shall be formatted according to AIAG standards. Labels must contain The PPC part number, quantity per container, P.O. number, lot number, part description, engineering revision level, & the name of supplying subcontractor in human readable format. The PPC part number, quantity, P.O. number, & lot number must also be in scannable bar code format.
- 13.3. All information on shipping labels & packing lists must be accurate. Quantities shown on the shipping documentation must be reflective of an actual piece count  $\pm 1\%$ .

**14 *International Material Data System (IMDS)***

- 14.1. Supplier of automotive components & materials are responsible for accurately entering substance data into the IMDS on-line reporting system & providing the ID version number that the IMDS assigns when the data has been entered & accepted. This IMDS submission & acceptance is required prior to production part approval (PPAP).

**15 *EPA/DOT/Safety***

- 15.1. Supplied products must comply with all applicable governmental safety & environmental standards/laws regarding restricted, toxic, & hazardous materials. Hazardous materials must be marked clearly as such, & packaged appropriately.
- 15.2. Material Safety Data Sheets (MSDS) must be provided for new items prior to delivery of samples or production materials. An updated version of the MSDS will be forwarded to Pliant Purchasing whenever it is revised.

**16 *Social Responsibility***

- 16.1 Suppliers are expected to conduct business in an open and ethical manner by requiring their employees to act with integrity at all times, avoiding situations that create conflicts of interest for organizations and/or their employees, and not tolerating corrupt practices or the acceptance of bribes.
- 16.2 Suppliers are responsible for complying with internationally recognized criteria regarding health and safety standards for their employees, accepted standards on worker's rights (e.g., discrimination,, discipline/harassment, working hours, compensation), prohibition of child or forced labor, and environmental protection practices. Social Accountability (SA) 8000 should be used as a model for developing and implementing socially responsible standards of conduct.
- 16.3 Suppliers that act as brokers, distributors, etc. for Pliant Plastics Corporation shall expect similar socially responsible conduct from those that perform the actual manufacture, assembly, or provision of raw materials.