



SUMMIT POLYMERS, INC. SUPPLIER REQUIREMENTS MANUAL



SRM 1.0 - Welcome to your partnership with

Summit Polymers, Inc.

A Manufacturer of Quality Plastic Injection

Molded Components and Assemblies

The pages following this welcome will provide you with an overview of Summit Polymers, Inc. (SPI) supplier requirements, those supplier systems, products, processes, and documentation necessary to assure complete customer satisfaction generating continued and expanding levels of profitable business activity.

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SRM 1.2 - Manual Purpose

It is the intent of this manual to provide information and direction to our suppliers to assure timely introduction of product into the marketplace with a minimum of product or system problems. It is also expected that this manual will provide the resources necessary to establish effective two way communication between the supplier and Summit Polymers, Inc. (SPI) personnel. It is the expectation of Summit Polymers Inc., that all customer directed suppliers comply with all the requirements and expectations documented in this manual.

SPI endorses the efforts of Ford, Chrysler, and General Motors in standardizing requirements for material/component submission and approval. The following approved AIAG (Automotive Industry Action Group) reference documents will be used as submission/quality guidelines outlining Supplier's responsibilities to Summit Polymers as a customer. The AIAG publication ISO/TS 16949 Specification will be used as the primary document guiding Supplier – subcontractor requirements.

1. ISO/TS 16949 Specification.
2. Production Part Approval Process, current release
3. Potential Failure Mode and Effects Analysis, current release
4. Fundamental Statistical Process Control, current release
5. Measurement Systems Analysis, current release
6. Advanced Product Quality Planning, current release

We expect a Supplier commitment to meet reasonable expectations on the part of Summit Polymers, Inc. Those expectations are products that meet or exceed current requirements, delivered on time, at a continually reduced cost and generating documentation to demonstrate compliance. Specific requirements unique to Summit Polymers, Inc. will be listed in each procedure by exception and will take priority over the instructions given in the AIAG reference manuals.

Copies are obtainable from AIAG at (810) 358-3003, or www.aiag.org

SRM 1.3 - Mission Statement

***Through teamwork, we will provide the
highest quality, lowest cost, value-added
plastic products to our customers.
We will treat our employees with respect,
assure a safe workplace, and provide
community support.
We will earn a profit.***

SRM 1.4 - Six Basic Quality Principles

1. Do it right the first time.
2. Never pass a defect on to the next team member.
3. Vigorous pursuit of constant improvement.
4. Standardized work which ensures consistently correct results
5. Problem-solving, which always looks for the root cause, not a temporary solution.
6. Fix it now.

SRM 1.5 - Environmental Policy

PIC (Prevent – Improve – Comply)

1. Avoid, reduce or control wastes and emissions to prevent pollution.
2. Apply continuous improvement techniques to our systems and processes.
3. Comply with Local, State, and Federal Laws and Regulations at a minimum.

SRM 1.6 - Conflict Minerals

The U.S. Securities and Exchange Commission (SEC) has adopted rules to implement reporting and disclosure requirements related to “conflict minerals,” as directed by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

The rules require manufacturers who file certain reports with the SEC to disclose whether the products they manufacture or contract to manufacture contain “conflict minerals” that are “necessary to the functionality or production” of those products. The definition of “conflict minerals” refers to gold, as well as tin, tantalum, and tungsten, the derivatives of cassiterite, columbite-tantalite, and wolframite, regardless of where they are sourced, processed or sold.

We are committed to the responsible sourcing of “conflict minerals” throughout our supply chain and to continuing to comply with the underlying SEC rules and regulations surrounding “conflict minerals”.

SRM 1.7 - Core Values and Concepts

- * **Customer-Driven Quality.** Quality is judged by the customer and based on the value of products and services to the customer.
- * **Leadership.** Leaders create and are personally involved in reinforcing a customer orientation and clear organizational values that support the company's business.
- * **Continuous Improvement.** Every operation and function is to be continuously challenged and improved upon to better accomplish the organization's mission and effectiveness in how the mission is achieved.
- * **Employee Participation and Development.** The involvement and evolving skills of employees continuously contribute to improvements in quality, product and service value, and efficiency.
- * **Fast Response.** The company's ability to shorten cycle times and respond to opportunities and demands in the marketplace increases its competitive advantage.
- * **Design Quality.** Building quality into products and services from cradle to grave eliminates waste and prevents problems from occurring.
- * **Long-Range Outlook.** In addition to attaining current success, the company must have commitment and vision to understand and plan for future opportunities and demands that ensure the company's future viability.
- * **Management by Fact.** Plans, decisions, and actions are based on objective data. Examples include costs, financial data, operational data, quality data, customer data, market place data, forecasts, human resource data, information on competitors, benchmark studies and regulatory information.
- * **Partnership Development.** Business relationships with suppliers, customers, employees and other companies are managed and fostered cooperatively to achieve long-term success and viability for all parties.
- * **Corporate Responsibility and Citizenship.** Business ethics and other corporate responsibilities are key considerations in managing and planning the organization's affairs.
- * **Teamwork.** Employees place corporate goals ahead of individual goals, interact effectively with other units of the business, and take responsibility for actions and results.

SRM 1.8 - Supplier Quality Management System Requirement

- All suppliers to Summit Polymers Inc. must be certified to ISO 9001 (current version) and be working towards compliance to ISO/TS 16949 (current version).
- Any suppliers who are ISO 9001 certified but are not already working towards ISO/TS 16949 compliance, will be asked to complete an ISO/TS 16949 Compliance 'self-assessment' provided by Summit Polymers Inc.. The compliance assessment requires 100% compliance to the technical specification; any items not compliant will require a corrective action plan to become compliant.

- Current suppliers who do not have a certified Quality Management System (QMS) will be required to have a 2nd Party Audit performed on their QMS by Summit Polymers Inc. (this audit will be required annually).
- When a supplier is so small as to not have adequate resources to develop a QMS according to ISO 9001 or ISO/TS 16949, certain specified elements may be waived by Summit Polymers Inc. of their supplier. Summit Polymers Inc. shall have decision criteria for determining 'specially designated small suppliers'. Small suppliers shall be developed in accordance with 7.4.1.2 of ISO/TS 16949. Note: 'Small' may also refer to volume supplied to automotive.
- Suppliers are required to submit an updated copy of their QMS preferably before the current copy expires to their Summit Corp Purchasing Buyer and/or Supplier Development Engineer.

SRM 1.9 - Supplier Information Security

All suppliers to Summit Polymers, Inc. shall ensure/protect the security of proprietary, confidential and secret information shared between Summit Polymers, Inc. and supplier. Compliance to the below requirements are mandatory. Certification to ISO27001 can be used as evidence of compliance.

- A person responsible for information, system and physical security must be assigned and identified as such.
- Physical access to premises and support infrastructure (communications, power, etc.) must be controlled to prevent, detect and minimize the effects of unauthorized access to these areas.
- Visitor and photography policies have been established. All employees are trained and will ensure compliance to those policies.
- All employees are made aware of confidentiality policies as they relate to normal business practices.
- Upon receiving any transfer, resignation or termination notification from HR, the administration must revoke the physical access to the premises along with access to work computers and networks.
- Complex and unique passwords must be mandatory for all user accounts on all networked and stand-alone information systems. System files holding the authentication information or passwords must be protected from unauthorized access.
- Write access to external removable media (USB Drives/CD or DVD Writers/Floppy Drives) must be disabled or encrypted.
- All workstations/computers/networks must have approved anti-virus software and firewalls installed.
- A policy for the disposal of proprietary/secret information must be developed and followed to avoid tampering and/or unauthorized use.
- A system audit must be conducted to ensure Information and System security integrity.
- The supplier must have a system in place to investigate security incidents.
- Supplier must have a disaster recovery plan.

SRM - 2.0 Quality General

- 1.0 Suppliers to SPI shall exercise similar requirements and controls with their suppliers and expect all suppliers in the product chain to comply with these requirements as a standard business methodology.
- 1.1 Supplier shall protect SPI from receipt of non-conforming/defective material, components, or assemblies.
- 1.2 Supplier shall alert SPI personnel about all internal non-conformances found and sorted/inspected in order to prevent use in final product.
- 1.3 Supplier shall focus on the chain of customers to assure total customer satisfaction.
- 1.4 Supplier shall document and maintain complete files (by product) of all rejections, concerns and accumulations.
- 1.5 All purchased items used to manufacture SPI parts shall satisfy current governmental and safety constraints on restricted, toxic and hazardous materials, as well as environmental, electrical and electromagnetic considerations applicable to the country of manufacture and sale. Suppliers shall supply documentation regarding same as required by either SPI or government, such as Material Safety Data Sheets.

SRM - 2.1 Supplier Performance Expectations

- 1.0 Summit shall issue general Supplier Performance Expectations on an annual basis unless changing business conditions dictate more frequent revisions.
- 1.1 The Supplier Performance Expectations shall include targets that Suppliers should meet covering quality, delivery, and other areas. The annual Expectations shall be based upon the level of performance that is required by SPI's customers, current market conditions and SPI's business requirements (reference ISO/TS 16949 Section 7.4.3.2).
- 1.2 The Supplier Performance Expectations shall be forwarded to the Supplier's senior management or to an appropriate level in the Supplier's Sales organization. The SPI Corporate Buyer shall be responsible for determining the individual who shall receive the Expectations.
- 1.3 If a Supplier is unable to meet the Expectations, that Supplier should be requested by the SPI Materials staff to submit action plans detailing specific corrective actions to be made by the Supplier in pursuit of those Expectations.
- 1.4 If a Supplier believes that SPI's Performance Expectations are unrealistic, that Supplier may request a meeting with SPI through the SPI Corporate Buyer. At this meeting the Supplier should present the evidence showing where current SPI Expectations are not realistic along with documentation of their continuous improvement plans and activities in those areas. An interim performance target may then be negotiated between the Supplier and the SPI Corporate Buyer.
- 1.5 A Supplier's ability to meet and exceed the SPI Supplier Performance Expectations should be an important factor in the award of additional business and maintenance of current business.

SRM - 2.2 Supplier Audits

1.0 Potential Supplier Audit.

The Supplier Development Engineer (SDE) may complete the Potential Supplier Audit for all new Summit selected suppliers (reference KBPD 09.04.02 Potential Supplier Audit form). Potential Supplier Audits are not applicable to customer directed suppliers.

1.1 Product, Process and/or QMS Audits.

The Supplier Development Engineer will perform Product, Process and/or QMS audits at its supplier's location(s) when requested by Summit's customer(s) and also may perform the audits when poor performance is detected.

1.2 The Supplier Development Engineer will follow up on all open issues from the audit(s) and submit the final audit result. Audit results will be documented per customer format when required otherwise the format will be up to the Supplier Development Engineers discretion.

1.3 Audit frequency is per customer requirement and/or as needed determined by the Supplier Development Engineer.

SRM - 2.3 Advance Product Quality Planning

1.0 There are many acceptable systems of Advance Product Quality Planning in use by automotive components manufacturers. SPI will use the AIAG APQP Manual (current edition) as reference for evaluating suppliers APQP process. The Suppliers Advanced Product Quality Planning system should have the following characteristics:

1.0.1 Assign one individual responsible for managing the planning process.

1.0.2 Use of cross functional teams.

1.0.3 Use of Action Plans--listing tasks and completion dates.

1.0.4 Focus on customer needs and expectations.

1.0.5 Conduct feasibility studies and evaluation.

1.0.6 Develop manufacturing plans, process flow diagrams, design and process FMEAs and control plans.

1.0.7 Verify results of all designs, manufacturing plans, control plans, using functional tests and statistical evaluations.

1.0.8 Verify ability to support volume production with quality product through production trial runs (Run @ Rate).

1.0.9 Use sign-off procedure to assure review at each step of the planning process.

1.0.10 Suppliers are expected to conduct the APQP process with their sub-tier supply base. SPI may request verification of this at any time.

1.1 Supplier's shall maintain product development file(s) containing all data and documents associated with the planning process.

- 1.2 Suppliers designated by SPI as High Impact or Critical to Program Launch success may be required to meet additional requirements which may include (but are not limited to):
- 1.2.1 Submission of Advanced Product Quality Planning status report and/or tooling status report that aligns with program timing and milestones.
 - 1.2.2 Submission of Run @ Rate documentation and/or on-site review of Run @ Rate by SPI.
 - 1.2.3 Supplier management inspection (safe launch containment) of initial production as defined in SRM 2.9 Containment Program.
 - 1.2.4 On-site PPAP submissions at the SPI facility purchasing the material, components or assemblies.
 - 1.2.5 Participation in Summit's Supplier Launch Readiness Assessment Program consisting of the following documents:
 - Supplier Information Sheet
 - Launch Readiness Assessment
 - APQP Reporting
 - LRA Supplementary
 - R@R Summary
 - R@R Assessment
 - Capacity Information
 - Capacity Supplemental
 - Feasibility Commitment
- Note: Supplier Launch Readiness completion and corrective action timeliness may be considered in the supplier's monthly Performance Evaluation.

SRM - 2.4 AAR / Color Control

- 1.0 Supplier shall have a current color match procedure and resources (equipment and manpower) to accomplish color match requirements specified in this procedure.
- 1.1 All submissions for color approval shall be made on the PPAP "Appearance Approval Report" AIAG Form Number CFG 1002 or Nissan ANPQP AAR form (for Nissan programs only).
- 1.2 Supplier shall be responsible for assuring sub-tier supplier base is aware of this or equivalent supplier generated procedure and complies with its requirements.
- 1.3 Samples shall be evaluated against color masters, surrogate masters, or product masters designated by SPI.
- 1.4 Supplier shall maintain a system for the control, preservation and use of color standards (i.e. color masters, surrogate masters, and product masters).

- 1.5 Supplier shall control color match through standardization of all supplier's process procedures, including but not limited to a paint and solvent mix procedure; an application procedure; a resin mixing procedure; a test and evaluation procedure; a visual procedure; and a cleaning procedure.
- 1.6 Supplier shall sample production processes on color compliance and maintain data on gloss, spectrophotometer and/or colorimeter readings as required.
- 1.7 It is the Supplier's responsibility to assure color match, gloss and appearance of all product supplied to SPI facilities.
- 1.8 For critical color match paint applicators, capability studies for film thickness, color and gloss may be required in their PPAP submission(s) to Summit Polymers, Inc.

SRM - 2.5 Material Certifications

- 1.0 The SPI Plant Blanket Purchase Order shall show the customer specifications requiring certification for each purchased item.
- 1.1 Certifications shall, at a minimum, reference the applicable specification(s), lot or batch number, quantity, production date, and actual test results. For tests that are performed on a periodic or audit basis, the test date and frequency shall be shown.
- 1.2 Suppliers shall provide certification according to the following schedule.

Resins:

- 1.2.1 At the time of PPAP (see SRM 2.6 PPAP Sample Submissions), a full lab certification showing actual test results for all tests shown in the specification shall be submitted to SPI Corporate Materials.
- 1.2.2 On a lot by lot basis, a certification for the specific lot showing the results of the specification impact test and melt flow test, shall be supplied to the SPI Plant Quality Department. Any additions or other requirements shall be specified in writing from the SPI Plant Quality Manager. This shall become an attachment to the SPI Plant Blanket Purchase Order.
- 1.2.3 Annually, as a minimum, the Supplier shall provide a full lab certification of all required specification tests, including actual results and test dates, to SPI Corporate Materials upon request.
- 1.2.4 If requested by the Plant Quality Manager compliance to FMVSS 302 (Flammability) shall be certified through the annual submission of actual burn test results from five (5) samples each, from five (5) consecutive lots. For materials where the burn rate and range fall to the left of the N=5 line of Table 1 in GM9070P, no further reporting shall be required for that year. For materials where the burn rate and range fall to the right of the N=5 line of Table 1 in GM9070P, SPI Corporate Materials shall specify the required reporting frequency.

Paints and Colorants:

- 1.2.5 At the time of PPAP (see SRM 2.6 PPAP Sample Submissions), a full lab certification showing actual test results for all tests shown in the specification shall be submitted to SPI Corporate Materials.

- 1.2.6 On a lot by lot basis, no additional test results shall be required. For paints pre-ship submission of wet and dry samples, with color data are required. For colorants, pre-ship submission samples with color data are required.
- 1.2.7 Annually, as a minimum, the Supplier shall provide a full lab certification of all required specification tests, including actual results and test dates, to SPI Corporate Materials upon request.

Components and Assemblies:

- 1.2.8 At the time of PPAP (see SRM 2.6 PPAP Sample Submissions), a full lab certification showing actual test results for all tests shown in the specification shall be submitted with the PSW to SPI Corporate Materials.
- 1.2.9 In the event that Receiving Inspection is not used for incoming product acceptance, the Plant Quality Manager shall notify the Supplier in writing of the specific lot or shipment certification requirements. This shall become an attachment to the SPI Plant Blanket Purchase Order.
- 1.2.10 Annually as a minimum, the Supplier shall provide a full lab and dimensional certification of all required specification tests, including actual results and test dates, to SPI Plant Quality Manager upon request.
- 1.3 Certified material found non-conforming during use shall be rejected and notification (SRM 6.1 Material Rejection Notice) sent to the Supplier according to SRM 2.8 Non-Conforming Material.

SRM - 2.6 PPAP Sample Submissions

- 1.0 Supplier shall have a current copy of the AIAG Manual "Production Part Approval Process" (PPAP). Some suppliers may be required to submit PPAP documentation using the OEMs guidelines and forms (ex: Ford Phased PPAP, Nissan ANPQP), the supplier will be notified in advance if OEM documentation is required.
- 1.1 Supplier shall have in place systems and resources to comply with the direction in the AIAG PPAP Manual and/or the OEM Specific PPAP Guidelines including submission of IMDS information to Summit's IMDS site code #1563.
- 1.2 The default PPAP submission level is 3 unless otherwise specified by the appropriate SPI Quality Engineer, Buyer and/or Supplier Development Engineer. All supplier PPAPs must be submitted in one pdf file per part number. Exceptions must be approved in advance by the SPI Supplier Development Engineer.
- 1.3 For components and assemblies, all requirements of the AIAG PPAP Manual and/or OEM Specific PPAP requirements shall be met.
- 1.3.1 For customer directed suppliers who will get PPAP approval from the OEM, Summit Polymers, Inc. requires the following for PPAP submission:
- Evidence of OEM approval, this is typically an approved copy of the OEMs PSW,
 - Level 1 PSW for Summit to approve, must include evidence of IMDS approval to Summit's IMDS site,
 - AAR approval if applicable,

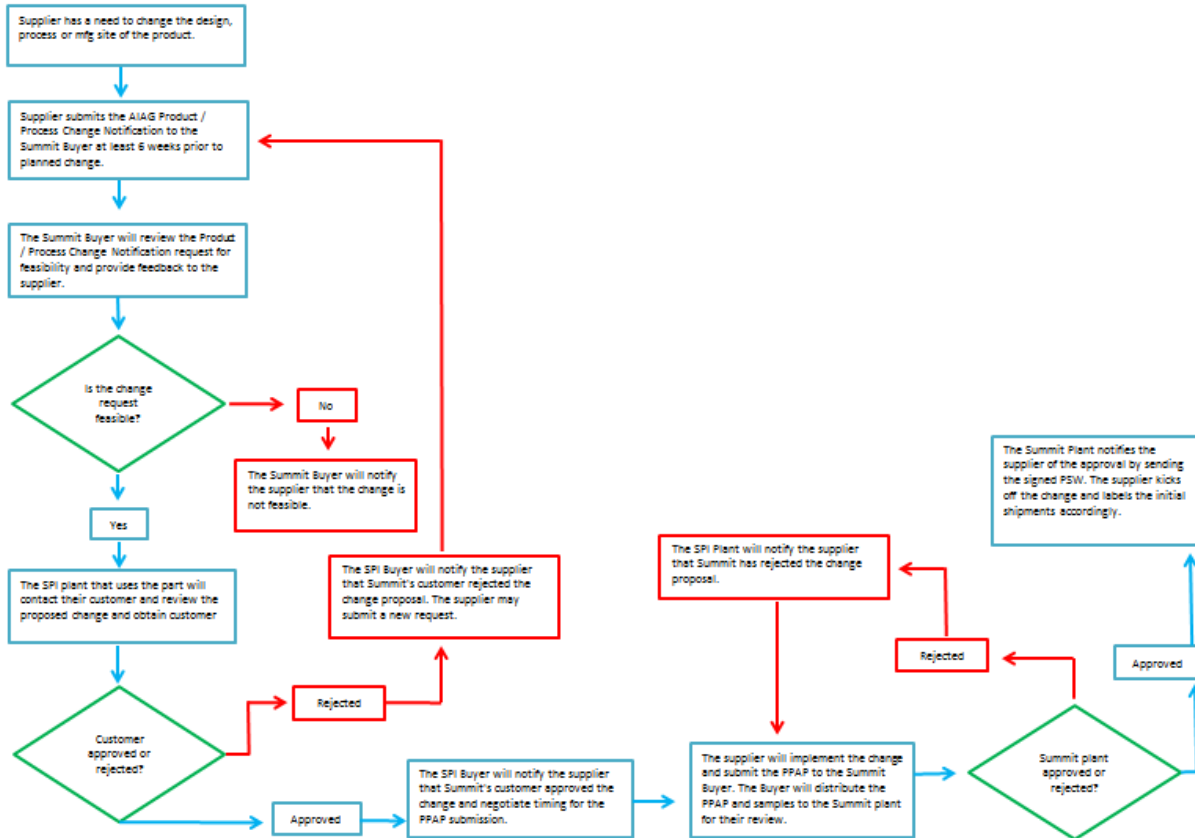
- Copy of part drawing,
 - Copy of Capacity Analysis Report.
- 1.3.2 For parts requiring Appearance Approval, OEM color approval and supplier source approval may be required (reference OEM requirement).
- 1.3.3 For resin, colorant and paint suppliers the requirements for submission shall be specified by the SPI Quality Engineer from the two options below according to SPI Plant or SPI customer requirements.
- 1.3.3.1 A Level 2 PPAP submission with the following information attached:
- A copy of the materials certification, as specified in Section 8.
 - Documentation showing the scope of the test laboratory accreditation.
 - Documentation showing OEM approval (unless the OEM does not approve resins and/or paints). For paints, documentation may include both color approval and paint system approval.
 - Copy of suppliers Quality Management System certification.
 - Restricted and reportable Substance of Concern (IMDS).
- 1.3.3.2 Material certifications only, as specified in SRM 2.5 Material Certifications.
- 1.4 Supplier PPAP Submissions shall be submitted to the responsible SPI Corporate Materials Buyer for the commodity with the exception of outsourced molders to Summit Polymers Inc., these suppliers will submit PPAP documentation directly to the Summit using plant.
- 1.4.1 The SPI Corporate Materials Department communicates to the supplier the due date for the completed PPAP package and sample parts and the PPAP submission level required as established by the SPI Quality Engineer assigned to the program.
- 1.4.2 Purchased product that does not meet all customer requirements may be considered for a Deviation to the requirements. The supplier must complete a Deviation Request form (SRM 6.5) and submit it to the responsible SPI program engineer for approval prior to submitting the PPAP. Upon approval the supplier must include the SPI approved Deviation Request in the PPAP submission.
- 1.5 The PPAP submission package shall be evaluated by the assigned SPI Quality Engineer for acceptability to include Fit & Function approval. If the PPAP package or parts are not acceptable, the assigned SPI Quality Engineer will contact the supplier directly, and notify SPI Corporate Materials. The assigned SPI Quality Engineer shall take delivery directly of the corrected or missing documentation, drawing or parts as required.
- 1.6 The supplier shall be notified of the submission status through the return of a copy of the signed Part Submission Warrant (PSW).
- 1.7 Supplier Performance Evaluations (SRM 6.0) will include a measure of PPAP submission timeliness.
- 1.8 The supplier shall commit to provide SPI with verification of sufficient capacity on SPI specified forms. Capacity verification shall be accounted as part of PPAP timeliness for the purposes of Supplier Performance Evaluation (SRM 6.0).

SRM – 2.7 Engineering Changes

- 1.0 For Engineering Changes, the supplier will notify SPI of any planned changes to design, process or site.

Examples of changes requiring notification:

- 1- Use of other construction or material than was used in the previously approved part or product.
- 2- Production from new or modified tools (except perishable tools), dies, molds, patterns, etc. including additional or replacement tooling.
- 3- Production following upgrade or rearrangement of existing tooling or equipment.
- 4- Production from tooling and equipment transferred to a different plant site or from an additional plant site.
- 5- Change of supplier for parts, non-equivalent materials, or services (e.g., heat-treating, plating).
- 6- Production produced after the tooling has been inactive for volume production for twelve months or more.
- 7- Product and process changes related to components of the production product manufactured internally or manufactured by suppliers.
- 8- Change in test/inspection method - new technique (no effect on acceptance criteria).
- 9- Bulk Mtl Only, New source of raw material from new or existing supplier.
- 10- Bulk Mtl Only, Change in product appearance attributes.



- 1.1 The supplier is responsible for submitting the AIAG Product/Process Change Notification (THE-1002) to their SPI Buyer in a timely manner (at least 6 weeks prior to proposed change).
- 1.2 The SPI Buyer will review the Product/Process Change Notification with the appropriate individuals within SPI to determine if the change is feasible.
- 1.3 The SPI plant that uses the part will contact their customer representative and review the proposed change and obtain customer approval.
- 1.4 The SPI Buyer will notify the supplier of the Product/Process Change Notification disposition (approve or reject). If approved the supplier will implement the change and submit a PPAP and sample parts to the appropriate SPI Buyer and gain PPAP approval prior to any shipments of changed parts to SPI.
- 1.5 The SPI Buyer will receive the supplier's PPAP and sample parts and distribute accordingly, the SPI plant is responsible for reviewing and dispositioning (approve, reject, other) the PPAP. The SPI plant will also identify any special labeling needed for the initial shipments of changed product Sample labels created by Summit Polymers, Inc. must be printed on yellow paper for easy recognition (reference SRM 6.9 for Engineering Change labels).
- 1.6 Upon Summit PPAP approval, the supplier is authorized to ship the changed product.

SRM - 2.8 Non-Conforming Material

- 1.0 The supplier shall protect SPI from receiving non-conforming materials, components, or assemblies.
 - 1.0.1 For paints, pre-ship submission of wet and dry samples, with color data, shall be supplied for verification if requested by the plant Quality Manager. For colorants, pre-ship color samples, with data, shall be supplied for verification if requested by the plant Quality Manager.
 - 1.0.2 No rejections shall be issued solely on the review of a pre-ship sample. Only written concerns may be issued for samples that appear to be visually different from the master plaque.
 - 1.0.3 No charges shall be directed toward a supplier solely on a written concern being issued due to the visual comparison of a pre-ship sample.

- 1.1 If nonconforming or suspect material is shipped to SPI and discovered at any inspection point in the process, it shall be identified and placed in a hold area until disposition can be made. In such cases, the SPI Quality Manager or designee will either:
 - 1.1.1 Request the supplier manage and/or perform a sort of suspect material at the SPI facility (reference SRM 2.9 Containment Program for specifics). A \$200 administrative fee shall be assessed and the sort results (actual quantity defective) shall be used to calculate defective parts-per-million (PPM).
 - 1.1.1.1 The SPI Quality Manager or designee may elect to return suspect material and allow the supplier to sort (at the supplier's facility) and submit results to be used in the PPM calculation. To be considered for this exemption, the supplier may be required, at the plant's request, to send a representative to the SPI facility to review the defective condition(s) and provide a certified replacement material within a SPI-specified timeframe. In addition to the \$200 administrative fee, a debit shall be assessed to the supplier for all associated freight costs.
 - 1.1.2 Return suspect material to the supplier based on lack of supplier support. A \$400 administrative fee shall be assessed and the entire suspect quantity may be factored into the PPM calculation. Additionally, a debit shall be assessed to the supplier for all associated freight costs. At the discretion of the plant and the Corporate Materials department, the PPM may be adjusted to reflect the actual defective quantity only after the issue is satisfactorily resolved and the acceptable 8D is received. No charges will be rescinded as part of this negotiation.

- 1.1.3 Sort suspect material internally (SPI personnel) based on lack of supplier support. A \$600 administrative fee plus a \$50 per hour sort charge or a \$15 per hour sort charge for Summit Silao and Summit Plastics Nanjing suppliers only (minimum one hour) shall be assessed and the entire suspect quantity may be factored into the PPM calculation. At the discretion of the plant and the Corporate Materials department, the PPM may be adjusted to reflect the actual defective quantity only after the issue is satisfactorily resolved and an acceptable 8D is received. No charges will be rescinded as part of this negotiation.
- 1.2 Supplier material determined to be non-conforming at SPI's customer facilities shall be rejected, and the problem passed to the supplier for resolution. Associated penalties and fees will be passed on to the supplier.
- 1.3 All rejections, concerns, and accumulations shall be documented on a Material Rejection Notice (MRN SRM 6.1) and shall be distributed as specified on the MRN.
- 1.4 Disposition of non-conforming material shall be selected from the following options:
 - Return to supplier
 - Scrap – supplier personnel
 - Scrap – SPI personnel
 - Rework – supplier personnel
 - Rework – SPI personnel
 - Use – deviation required
- 1.5 If the disposition options involve SPI personnel reworking the supplier's product, a debit shall be assessed to the supplier for the labor costs at the rate of \$50 per hour (\$15 per hour for Summit Silao and Summit Plastics Nanjing). Because SPN is located in the Comprehensive Bonded Area, if scrap is involved SPN will charge the Customs Duties and scrap VAT to suppliers.
- 1.6 In all cases of a supplier rejection, a team-generated written corrective action report shall be required from the supplier that contains at a minimum: team member identification, the problem description, the method used to contain the symptoms, root cause identification, the corrective action taken and timing, and corrective action validation. The supplier may choose to use an EW8D format (SRM 6.4).
 - 1.6.1 Initial Response – due within a maximum of 48 hours from the time the MRN is issued unless otherwise authorized by the QE, this response shall include the names of the team members, the problem description, and method used to contain the symptom (including container identification and timing).
 - 1.6.2 Final Response – due within a maximum of 15 days from the time the MRN is issued unless otherwise authorized by the QE, this response shall include root cause identification, corrective action implementation and timing, and validation of effectiveness (including container identification and timing).
 - 1.6.3 Requests by a supplier for a time extension for the final response of up to 30 days may be granted by the SPI Quality Manager or designee. If an extension of greater than 30 days is required by the supplier to provide a completed final response, it may be granted at the discretion of the SPI Quality Manager, or designee. The SPI Quality Engineer shall notify the supplier of the decision.

- 1.7 A supplier's written corrective action report regarding an MRN shall be reviewed by the issuing SPI Quality Engineer. The SPI Quality Engineer shall recommend approval, disapproval or conditional approval to the SPI Quality Manager. The SPI Quality Manager, or designee, shall notify the supplier of the MRN status with a signed return of the written corrective action report.
- 1.8 If the supplier fails to provide a written report of corrective action within the time extension, then the SPI Quality Engineer shall notify the SPI Quality Manager who shall contact the supplier to achieve closure of the issue.
- 1.9 If the supplier fails to provide a written corrective action report after being contacted by the plant Quality Manager as noted in section 1.8 above, the Quality Manager may close the MRN at his / her discretion. If the MRN is closed by the Quality Manager without receiving a supplier's report of corrective action, the Quality Manager, or designee, shall note the supplier's failure to respond on the face of the MRN and forward a copy of the MRN to the Corporate Materials Department for review by the buyer and input to the supplier's file. A supplier's failure to respond shall be considered in the potential award of future business

SRM - 2.9 Containment Program/Safe Launch

- 1.0 Containment General

Containment is accomplished through deployment of additional controls in the supplier's manufacturing process to identify a known or potential nonconformance and to prevent it from shipping to Summit Polymers, Inc.

 - 1.0.1 Additional controls can include but are not limited to: inspection audits, dimensional measurements, SPC checks, appearance checks, part functionality checks, label verification systems, check fixtures and gages and poka-yokes.
 - 1.0.2 Supplier containment guidelines include the following:
 - Containment area must be highly visible and properly lit, equipped, etc.
 - Containment area must have well-defined material flow including clearly identified areas for Incoming and outgoing parts
 - No rework must be done in the containment area
 - Product acceptance standards and measurement / testing process to be agreed upon by Summit Polymers, Inc. quality contact
 - Number of nonconformance's, corrective actions and results of activity must be reported daily.
 - Problem solving must be formal, data driven and documented
 - Containment personnel must be properly trained and have work instructions, quality standards, boundary samples, etc.
 - Data from the supplier's containment activities must be kept on file and available upon request
 - 1.0.3 The goal of containment is to protect Summit Polymers, Inc. from defective material escapes during the initial product and process startup (pre-production – safe launch), throughout production, and in reaction to a quality issue identified at any location in the supply chain. The following sections detail Summit Polymers, Inc.'s expectations for each of these phases.

- 1.1 Pre-Production / Safe Launch Containment Expectations
Pre-production containment applies to any parts produced for prototype, pilot or saleable vehicle builds at Summit Polymers, Inc. prior to full production. Pre-production / Safe Launch containment activities are a requirement of the supplier's APQP process and must be documented on a prototype and/or pre-launch Control Plan.
- 1.1.2 The pre-launch Control Plan includes increased frequencies and additional tests over and above the production Control Plan to ensure heightened product and process quality until the supplier's production process is validated. During pre-production, the sample size and/or frequency of product inspection is typically 100% and does not replace the final part audit.
- 1.1.1 Summit Polymers, Inc. requires 5000 sequential parts produced without any defect to exit containment. These parts should be sequentially numbered and the shipments need to be marked and containment data maintained and made available upon request. Issues that remain unresolved at SOP are subject to Production Quality containment. Additionally, a Production Quality failure may require instituting 3rd party inspection to shield Summit Polymers, Inc. from nonconformance(s) during this phase.
- 1.2 Production Quality Containment Expectations
Production Quality Containment is defined as additional controls implemented at the Supplier's Location upon Summit Polymers, Inc.'s request following the identification of a supplier quality issue. The goal of this containment is to cleanse the entire system of any nonconforming material and to shield Summit Polymers, Inc. from receiving any additional defective product. The supplier is required to quarantine and sort all suspect product(s) within their facility, at their subcontractors, in-transit, at Summit Polymers, Inc. facilities, and at any customer location which may have parts or finished goods in inventory. The supplier is responsible for any costs associated with this activity incurred by Summit Polymers, Inc.
- 1.2.1 Upon identification of an issue, the Summit Polymers, Inc. quality contact initiates containment activities by sending a Material Rejection Notification (MRN) to the supplier's quality contact. The MRN details the specific nonconformance and required supplier actions.
- 1.2.2 The supplier is responsible for acknowledging the Material Rejection Notification by returning a copy of the MRN with an authorizing signature to the Summit Polymers, Inc. quality contact or e-mailing their acknowledgment.
- 1.2.3 The supplier is responsible to reply with their implemented containment plan via an initial 8D within 24 hours of Production Quality Containment notification. The containment plan must be reviewed and agreed upon by the Summit Polymer Inc. quality contact. The supplier is responsible for keeping the customer location advised daily of ongoing containment results until released from Production Quality Containment.
- 1.2.4 Summit Polymers, Inc. requires 5000 sequential parts produced without any defect to exit containment. These parts should be sequentially numbered, the

shipments need to be marked and containment data maintained and made available upon request.

- 1.3 3rd Party Containment Expectations
3rd Party Containment is defined as the implementation of additional controls by an impartial third party at the expense of the supplier. 3rd Party Containment is implemented when a supplier's Production Quality Containment activity fails to shield Summit Polymers, Inc. or its customer(s) from receipt of nonconforming material.
 - 1.3.1 The Summit Polymers, Inc. quality contact analyzes the nonconforming issue(s) and determines if 3rd Party Containment is required. Summit Polymers, Inc. Purchasing Buyer and/or Supplier Development Engineer may be involved in the decision to implement 3rd Party Containment. .
 - 1.3.2 The third party must provide daily documentation to both the supplier and Summit Polymers, Inc. quality contact on the progress of containment activity.
 - 1.3.3 The supplier is responsible for issuing the purchase order to the third party source and is responsible for all costs for the sort company performing the containment activities.
 - 1.3.4 Initiation of 3rd Party Containment does not relieve the supplier of any relevant Production Containment activities following the aforementioned containment guidelines and responsibilities. Approval to remove 3rd Party Containment comes from the Summit Polymers, Inc. quality contact.

SRM – 3.0 Delivery of Purchased Items

- 1.0 Shipments to SPI shall be in Summit-approved containers with standard AIAG labels certified by Summit IT.
- 1.1 Shipments shall be made in the exact quantity released by the SPI facility in standard quantities per unit pack.
- 1.2 Suppliers should be expected to control inventories and ship to SPI on a First-in/First-out (FIFO) basis.
- 1.3 Shipments shall arrive at Summit on the date requested by the SPI facility. The date indicated on the SPI shipping schedule (DELJIT) that is supplied by the SPI manufacturing facility is the date the product is required to arrive at the Summit facility.
- 1.4 Shipments shall be made to Summit via the carrier specified by the SPI facility as listed on the Summit Production Purchase Order. Suppliers that have a ship point (and certain other suppliers) that require the SPI facility to import the product across international borders shall be asked to review and sign an SPI Supplier Routing Instruction sheet that will provide detailed routing information.
- 1.5 Any excess costs incurred by SPI due to a supplier deviating from the required shipment date, quantity, or prescribed routing shall be charged to the supplier.
- 1.6 All suppliers to Summit Polymers shall be expected to monitor their own shipping performance and strive for 100% on-time delivery.
- 1.7 Suppliers to SPI shall be responsible for the delivery performance of their sub-suppliers.

- 1.8 Suppliers shall be expected to have a policy and plan to reduce the lead-time required to produce and ship their parts.
- 1.9 Supplier Delivery Performance shall be monitored by Summit Polymers' facilities as part of the Supplier Performance Evaluation (SRM 6.0).
- 1.10 The supplier shall immediately communicate to SPI's plant purchasing contact any deviations from SPI's materials planning and logistics instructions or prior agreements (e.g. use of non-standard or unapproved shipping containers or labels, shipment quantities less than or greater than those released, early or late shipment, shipment via non-authorized carrier, lack of production capacity, etc.). The supplier shall investigate any deviations, identify the root cause of the deviation, rectify the matter, and ensure that the deviation does not reoccur in the future.

SRM – 3.1 Packaging and Labeling

1.0 Packaging Policy

- 1.0.1 It is the general policy that the supplier shall design and develop packaging that adequately protects the supplied part throughout the process. Suppliers must ensure that their designs conform to SPI packaging standards.
- 1.0.2 Although it is expected that Suppliers shall design their own packs, the SPI Materials Engineer – Packaging or Manufacturing Engineer, upon request or in certain other circumstances, may assist in developing acceptable shipping containers, but the ultimate performance of the package is the Supplier's responsibility.
- 1.0.3 SPI will approve packaging designs. The packaging design approval may consist of a signed off packaging form. Suppliers can submit packaging proposals using their own packaging form or SPI's Supplier Packaging Form (SRM 6.6).
- 1.0.4 Any exceptions or deviations to the following packaging and identification requirements, dictated by part characteristics, shall be identified when quoted and require approval from the Materials Engineer – Packaging or the Manufacturing Engineer.

1.1 General Packaging Requirements

- 1.1.1 All materials shall be suitably packed, marked, and shipped in accordance with the requirements of common carriers in a manner to secure the lowest transportation costs while still assuring the integrity of the product shipped.
- 1.1.2 Packaging shall conform to all government and transportation rules and regulations.
- 1.1.3 Materials which cannot be recycled are discouraged and shall have prior approval from the Materials Engineer – Packaging or Manufacturing Engineer if no other alternative material is available.

- 1.1.4 Packaging should be designed to support the point of component use. Excess materials (bags, dividers, wraps, ties, etc.) should not be used unless they are absolutely necessary for part preservation.
- 1.1.5 Full pallet packaging trials shall be submitted prior to launch to evaluate/identify potential quality concerns unless waived by the SPI Plant or Packaging Engineer.
- 1.1.6 Packaging Changes. Any packaging changes shall require adequate testing and rationale to prove the product will be protected as well as before the change. PPAP requirements will be on a case by case basis. Any packaging changes would be submitted as a supplier change request to the SPI SDE.
- 1.1.7 Packaging should be validated through packaging "Ship and Drop" tests by a reputable source. (i.e. 3000 miles within the US and 8,000 miles overseas) Rationale for the packaging shall be submitted to and approved by SPI prior to use.

1.2 Container Guidelines

- 1.2.1 The SPI goal is that containers should accommodate at least 10% of daily usage, but no more than one day, per standard container.
- 1.2.2 Manually handled containers shall be required for all parts unless specifically authorized by SPI.
- 1.2.3 Manually handled containers shall not exceed 30 lbs. or 13.6 Kg.
- 1.2.4 Manually handled containers shall be designed to be modular in accordance to AIAG footprints of 48" X 45" or 32" X 30". If the dimensions of a part require a footprint greater than 48" in length, size the package length to accommodate but maintain the width dimension at 45" or 32". For specific export applications a 45"x39" footprint may be used.
- 1.2.5 Manually handled containers should not be longer than 36 inches. If a part requires a container greater than 36" then a 48"x15" or 48"x22" may be used with approval. Manually handled containers should not be taller than they are wide.
- 1.2.6 Containers shall be adequately sealed where appropriate to ensure failure does not occur during handling.
- 1.2.7 Ease of product access should be considered in the packaging design limiting the need for additional tools to open or dispose of the packaging (HSC containers, chip dividers, slotted bags, etc.). Staples are acceptable in certain instances for bottom construction with prior approval from SPI.
- 1.2.8 All boxes that are shipped in skid layer increments should be HSC with common lid covering the layer. RSC boxes should only be considered for parts that ship as a single box (UPS, etc.).

1.3 Pallet & Load Guidelines

- 1.3.1 Containers shall not overhang the pallet. Pallet loads should accommodate normal stacking guidelines during transport and storage. Pallet loads that are not stackable must be approved as such by SPI. Pyramid stacking is not an acceptable practice.

- 1.3.2 Minimum load heights, including the pallet shall be:
- 25" overall height (4 high in trailer)
 - 33" overall height (3 high in trailer)
 - 50" overall height (2 high in trailer)
- 1.3.3 In the event bulk containers are used they should be limited to standard AIAG footprints
- 1.3.4 Expendable pallets should be made of durable materials so as not to cause a safety hazard while being handled.
- 1.3.5 Expendable pallets entering or leaving the US must meet Export Guidelines. Wood must be treated and marked using the International Plant Protection Convention's (IPPC). "Guidelines for Regulating Wood Packaging Material in International Trade" (International Standards for Phytosanitary Measures Number 15 (ISPM 15). (reference, USDA-APHIS, WPM (September 16, 2004, 69 Federal Register (FR) 55719, Docket No. 02-032-3). www.aphis.usda.gov
- 1.3.6 Failure to comply with any of the guidelines set forth in this standard may result in a Material Rejection Notification (SRM 6.1 MRN)

1.4 Container Labels

- 1.4.1 It is mandatory that all components and materials be identified with the standard AIAG label selected for use by SPI. The specifications and a sample of the required label can be found at www.summitpolymers.com.
- 1.4.2 The scannable, bar-coded container label shall include the following:
- SPI Part Number
 - Quantity of Product
 - SPI Purchase Order Number
 - SPI Part Description
 - Line Feed Location at the SPI Plant (if applicable)
 - Unique Serial Number
 - Lot Number of the Material
 - Supplier's Name and Shipping Address
 - BOL/Packing Slip Number
 - SPI Plant Name and Address
 - Country of Origin Declaration (ex; Made in USA)
- 1.4.3 Each container shall have a label on two adjacent sides.
- 1.4.4 Shipments of samples or new product revisions should be marked as such and be appropriately segregated for control.

1.5 Master Load Labels

- 1.5.1 All pallets containing multiple containers of the same SPI part number, or containing more than one part number, shall be identified with the AIAG master load label selected for use by SPI. A master label is required for each part number if there is more than one part number contained on the pallet. The specifications and a sample of the required label can be found at www.summitpolymers.com.
- 1.5.2. Master load labels are not intended to replace individual container labels; master labels are supplemental to container labels.
- 1.5.3 The scannable, bar-coded master label shall include the following:
- The words "MASTER LOAD" at the top of the label
 - SPI Part Number
 - Quantity of Product
 - SPI Purchase Order Number
 - SPI Part Description
 - Line Feed Location at the SPI Plant (if applicable)
 - Unique Serial Number
 - Supplier DUNS Number
 - Supplier's Name and Shipping Address
 - BOL/Packing Slip Number
 - SPI Plant Name and Address
- 1.5.4 The master label shall be secured to the container under the shrink wrap or banding used to secure the load to the pallet
- 1.5.5 Mixed loads shall be identified with a "Mixed Load" label.
- 1.5.6 All chemical materials shall be labeled to conform with local, state, or provincial, and national safety regulations.

SRM – 3.2 Transportation and Freight

- 3.1 It is the general policy of SPI in the purchase transaction to take responsibility for arranging freight and absorbing its cost, unless the supplier can demonstrate expertise in this function and proven ability to achieve costs less than or equal to those achievable by SPI.
- 3.2 Supplier routing instructions are issued to provide clarity and avoid confusion and misunderstanding between SPI and its suppliers regarding the responsibilities for delivery and logistics. Routing instructions may be issued by SPI Corporate, Its Plants, or by a 3rd party transportation provider

It is possible for a single SPI plant to issue more than one Supplier Routing Instruction to a single supplier. If this case occurs, the Supplier Routing Instruction form will specify the purchased item(s) to which each of the routing instructions refers.

- 3.3 Supplier routing instructions issue by Summit are documented on form CMM 03.01.01 Supplier Routing Instructions (reference SRM Form 6.3).
- 3.4 For Supplier Routing Instructions issued on behalf of Summit by a 3rd Part Logistics provider, the instructions are documented in the 3rd party format (reference SRM form 6.2)
- 3.5 The supplier's representative must sign and return the Supplier Routing Instruction form issued.
- 3.6 In the event that the transportation method or mode is controlled by the supplier, the standard delivery routing should also be documented on the Supplier Routing Instruction and be initiated by the supplier for acknowledgement by the SPI plant.
- 3.7 If premium transportation methods are required to support delivery dates at Summit facilities the supplier shall provide notification to the corresponding plant. Summit will not accept charges for premium transportations methods without prior agreement.

SRM – 3.3 International Shipping

1.0 International Shipping Introduction

The purpose of this section is to provide suppliers of Summit Polymers, Inc. with better understanding of their responsibilities as exporters and suppliers. Each supplier to Summit Polymers, Inc. is responsible for complying with all customs laws and regulations as it relates to their activity with Summit Polymers, Inc. This includes, but is not limited to, the items outlined in this manual.

1.1 Inco Terms

A codification of international rules for the uniform interpretation of common contract clauses in **export / import transactions** involving goods including the following:

- Ex Works (EXW)
- Free Carrier (FCA)
- Free Alongside Ship (FAS)
- Free On Board (FOB)
- Cost and Freight (CFR)
- Cost, Insurance, and Freight (CIF)
- Carriage Paid To (CPT)
- Carriage and Insurance Paid To (CIP)
- Delivered at Terminal (DAT)
- Delivered at Place (DAP))
- Delivered Duty Paid (DDP)

1.2 Warehouse and Inventory Requirements

In order to minimize the risk of an inventory stock-out and to support lean manufacturing a supplier may manufacture overseas, but they may be expected to import to their own domestic warehouse or distribution center. Summit Polymers, Inc. will then pick up the freight at the named domestic facility. Summit Polymers, Inc. will determine on a case-by-case basis when this requirement is necessary and will notify the supplier to implement these requirements.

- 1.3 Custom Brokers
Summit Polymers, Inc. has designated Customs Brokers to clear shipments on our behalf. Suppliers must use the designated broker as per the routing instructions set forth by Summit Polymers, Inc. corporate offices when specified
- 1.4 International Shipment Documentation
Suppliers are responsible for providing complete and accurate documentation for all international shipments. Documents must be sent with each cross border shipment.
1. Completed Bill of Lading with the name and address of the shipper, the consignee, and the broker. This must be the same BOL # as on the ASN.
 2. Completed Packing List
 3. Completed Commercial or Pro-Forma Invoice per guidelines listed above.
 4. Completed Certificate of Origin or NAFTA certificate
 5. Completed Annex 18 & Certificate of Manufacturer for suppliers shipping metal sheets, steel piping, and textiles (fabrics, zippers, heaters, leather) to Mexico.
 6. Completed Shipper's Export Declaration for shipments to Mexico or an authorization for the Mexican Customs Broker allowing them to complete the form.
 7. Completed Textile Declaration for shipments into the US only of rolled goods or cloth.
- 1.5 Valuation of Merchandise
Suppliers are responsible for stating the proper value of the product being shipped per the terms and conditions of your contract with Summit Polymers, Inc. This includes proper classification of goods used in determining applicable duties.
- 1.6 Commercial or Proforma Invoice
A commercial or pro forma invoice shall accompany each export to a Summit Polymers, Inc. facility (see attached). Contents of invoices and general requirements:
1. Port of entry to which the merchandise is destined.
 2. Complete name and address of consignee, along with the plant ID #.
 3. Complete name and address of shipper, including tax ID#. Include contact name & phone number. Complete name and address of the customs broker.
 4. Ship date
 5. A detailed description of the merchandise, including the Summit Polymers, Inc. part number for proper HS Classification and NAFTA eligibility.
 6. Quantities, weights and unit of measures of the merchandise shipped.
 7. The purchase price in the currency of purchase.
 8. Value of each item in the currency of purchase
 9. Type of currency.
 10. All charges upon the merchandise itemized by category and amount.
 11. All rebates, drawbacks, bounties, separately itemized, allowed upon the exportation of the merchandise.
 12. Country of origin.
 13. Assists, dies, molds, tools, engineering work and cost associated.
 14. Tariff classification number.
 15. INCO terms see section 4.2 of this section.
 16. Invoice #
 17. Declaration of truth

Invoice and all attachments must be in the language appropriate for the country of importation. When the above contents are excluded from the invoice, the customs clearance of the shipment is delayed. Often times a shipment is flagged for examination by customs due to the absence of values, description, and country of origin.

- 1.7 Country of Origin Marking
Every article of foreign origin (or its container) shall be marked in accordance with the regulations of the importing country.

SRM – 3.4 EDI and EFT

- 1.0 Electronic Commerce Requirements - Summit Polymers, Inc. and our automotive customers require EDI (Electronic Data Interchange) to be utilized by all suppliers throughout the Supply Chain.
- 1.1 EDI Implementation guidelines are available on the SPI website and are based upon EDIFACT standards. <http://www.summitpolymers.com/supplier/info>
- 1.2 To establish EDI communications please use the following contact information
- EDI Helpdesk**
Technical Center
6715 South Sprinkle Road
Portage, MI 49009
(269) 324-9330 x50198
edi@summitpolymers.com
- 1.3 All suppliers must develop a contingency plan for their primary EDI system. This allows us to keep both product and information flowing if the primary system fails for any reason. To inquire about the specific details of using EDI with Summit Polymers, Inc., please contact your Purchasing Buyer.
- 1.4 Advanced Shipping Notice (ASN)
- 1.4.1 An ASN is the electronic transfer of shipment data from a supplier to a customer. The customer plant utilizes the information contained within the ASN in three ways:
- Determine and confirm goods in transit.
 - Verification against the shipment as product is received.
 - If the supplier is ERS (evaluated receipt settlement) approved, the ASN serves as an electronic invoice that will generate payment to the supplier.
- 1.4.2 Accuracy is imperative in order to maintain the integrity of information related to inventory records, MRP/supplier schedules, and invoice payments. ASN timeliness is critical to information accuracy and functionality.
- 1.4.3 The ASN must be created upon finalization of the shipment and be received by Summit Polymers Inc. within one hour from the time the shipment leaves the supplier's shipping location, or prior to its arrival at the Summit Polymers Inc. (SPI) plant, whichever is earliest.

- 1.5 Electronic Funds Transfer (EFT)
 - 1.5.1 The Electronic Funds Transfer (EFT) Authorization Form (SRM 6.10) is necessary in order to make payments to your company through the Automated Clearing House (ACH) system.
 - 1.5.2 Bank Verification: In addition to filling out this form you must provide confirmation of your bank account and routing number with one of the three options below:
 - 1) Supplier's bank provides a contact name, phone number, stamp and/or signature on appropriate lines, or
 - 2) Supplier's bank must use their own stationery to confirm bank routing information and your company's bank account number, or
 - 3) Provide a copy of a voided check with your company's bank account and routing information.
 - 1.5.3 The form authorizes Summit Polymers, Inc. and any of its subsidiaries to make payment for goods and services covered by any purchase order or agreement, now and hereinafter in effect, through electronic funds transfer.
 - 1.5.4 Remittance Advice: A detailed remittance advice will be emailed to the supplier when the payment is initiated. The remittance advice should be received by the supplier 1 day prior to the ACH transfer.

SRM – 3.5 Forecast and Requirements Planning

- 1.0 The forecast will grant fab & raw authorizations per the commercial terms between Summit Polymers Purchasing and the supplier. SPI will grant the supplier a raw and fab authorization in accordance to the authorization being provided by our customer. For example, SPI may grant 4 weeks raw and 2 weeks fab, for a total of 4 weeks (i.e. you're authorized to convert 2 weeks of the raw, not carry an additional 4 weeks raw).
- 1.1 Forecasts will be provided to the suppliers via EDI in their releases. Certain commodities may be granted different standards per their release. When EDI is not available alternate forms of communication will be utilized as determined by the Summit Polymers plant. Deviations from the standard must be authorized by SPI and will be communicated in the purchase order as well as the release.
- 1.2 Suppliers will use this forecast to drive component planning/purchasing in order to meet the delivery signal sent by our manufacturing plants.
- 1.3 Authorization for a cum amount and the lead-time required for a shipment are not synonymous. Lead-time is defined as the amount of time between recognition of an order and receipt of the order (can include manufacturing time as well as transportation time). This doesn't translate directly into the amount of weeks Summit Polymers will provide financial commitment in a cum authorization
- 1.4 Summit will provide planning information to the extent that it is available from its customers. Suppliers are expected to manage and take responsibility for their extended supply chains as they see fit to maintain continuous supply of program requirement.

SRM – 3.6 Capacity Management

- 1.0 Suppliers are responsible to ensure that they have adequate capacity to support Summit production requirements
- 1.1 Suppliers should ensure available capacity to satisfy the Average Weekly Production Volumes (APW) in no more than 5 days and the Maximum Weekly Production Volumes (MPW) in no more than 6 days. Maximum weekly production volumes are typically established as the Average Weekly Production Volume + 20%
- 1.2 Verification of capacity may be required at initial PPAP documented through a run at rate audit (See SRM 2.6)
- 1.3 From time to time Summit may request verification of capacity in the form of a capacity study to satisfy a potential change in program volumes. Summit Polymers will communicate a detailed list of affected parts to the contacts we have listed.
- 1.4 Once contacted the supplier is to provide the following information within 10 days:
 - Confirmation of receipt of study information
 - Confirmation if current capacity is sufficient to meet the studied volumes
- 1.5 If the APW and MPW capacity requirements are not met by the Capacity Planning step, the Supplier:

- 1.5.1 Provides the following current information:
 - Detailed current capacity in a 5 day work week
 - Detailed current capacity in a 6 day work week (include OT costs associated if any)
- 1.5.2 Develops a corrective action plan to allow the Supplier (or sub-tier suppliers) to meet the capacity requirements.
- 1.5.3 Identifies any necessary containment plan to permit the Supplier (or sub-tier suppliers) to meet the capacity requirements by the specified timing. Containment plans may include:
 - Running more time
 - Outsourcing some operations if feasible
 - Leasing of additional equipment as applicable
 - Additional temporary staff if permanent personnel are not available
- 1.5.4 Submits the corrective action and containment plans with the Capacity Analysis Report. Corrective Actions may include:
 - Improving the line speed over a period of time
 - Adding more tooling and equipment in the future
 - Moving some parts from a shared manufacturing process to another process with available capacity or different location
 - Official Itemized Quote detailing resources needed to meet capacity, with likely lead times and costs associated
- 1.6 Summit requires participation and transparency from impacted suppliers during all customer capacity studies. If the studied supplier does not respond by the end of the given study window, Summit Polymers will consider the unresponsiveness as the supplier has sufficient capacity to meet the studied demand.
- 1.7 Submission of the Capacity study does not constitute approval for additional costs. Cost changes will require additional approval and will be coordinated through the Summit buyer.

SRM - 4.0 Cost Requirements

- 1.0 Suppliers shall support SPI in efforts to reduce costs and selling price.
- 1.1 Suppliers shall maintain documented continuous cost reduction programs and share with SPI the benefits of mutual cost reduction efforts.
- 1.2 Suppliers shall share cost information on their products sold to SPI and on tooling owned by SPI or SPI's customers. Suppliers should be willing to supply, upon request, complete cost data in the area of material, labor and overhead, and selling, general and administrative expenses and profit.
- 1.3 A Supplier shall maintain production pricing on materials and components supplied to SPI for service use. Suppliers should develop a plan to supply service requirements that will minimize costs prior to the end of current model production.

SRM - 4.1 Supplier Cost Reduction Suggestion Program

- 1.0 The Supplier shall complete the Supplier Cost Reduction Suggestion Form (SRM 6.7) and submit to the SPI Corporate Buyer.
- 1.1 The SPI Corporate Buyer shall initially review the suggestion for feasibility. If the suggestion has potential merit, the Buyer records the suggestion on the Suggestion Log for that Supplier.
- 1.2 The process to approve Suppliers Cost Reduction Suggestions will be dependent on the type of idea submitted.
 - 1.2.1 For ideas that are submitted during the pre-production phase and effect product design the SPI Corporate Buyer shall review the suggestion for approval with the assigned SPI Project Engineer.
 - 1.2.2 For ideas that are submitted after start of production and the idea effects design or the SPI Plant in some manner the SPI Corporate Buyer shall review the suggestion for approval with the SPI Plant General Manager.
- 1.3 If the suggestion is declined the original form will be returned to the Supplier Sales Representative with a written explanation.
- 1.4 If the suggestion is deemed potentially acceptable, an evaluation and implementation plan shall be developed by the assigned SPI personnel in order to gain full SPI and/or OEM approval.
- 1.5 After implementation is complete and gains full approval, the SPI Corporate Buyer shall enter the total savings on the form, sign, and forward to the Supplier. The jointly agreed upon total savings will then be documented on the Suppliers Cost Reduction Log in the SPI Corporate Materials Department.
- 1.6 The SPI Corporate Materials Department may include Supplier participation in the Supplier Cost Reduction Suggestion Program as a measurable factor in the Supplier Performance Evaluation System (SRM 6.0).

SRM – 4.2 Supplier Continuous Improvement Plans/Systems

- 1.0 All Suppliers to SPI shall be expected to promote an organization-wide philosophy of continuous improvement. This philosophy should be focused on meeting and exceeding customer expectations in quality, cost, delivery, technology, technical support, quick response, and customer service.
- 1.1 The Supplier's continuous improvement program should include specific goals, assignment of responsible personnel, implementation date, and documentation of progress.
- 1.2 Suppliers may be requested to provide their continuous improvement program documentation to SPI to address performance or launch related issues. These plans may be audited according to SRM 2.2.
- 1.3 For assistance in this area, Suppliers should contact their SPI Corporate Buyer.

SRM – 4.3 RFQ, Business Award, and Supply Agreements

- 1.0 SPI will request quotations utilizing the RFQ form SRM (6.8).
- 1.1 Business awards may be communicated through either a Pre-Award or Award Letter or directly through the issuing of a purchase order for a program.
- 1.2 For specific products SPI may require the supplier to enter into a Supply Agreement defining the nature and details of the relationship. Once approved supply agreements will remain in effect throughout product life for all items referenced in the agreement.
- 1.3 In the event that an agreement cannot be reached, SPI will notify the supplier of the terms and specific details being enacted for the supply relationship.
- 1.4 SPI does participate in Triangular Sourcing or Multi Party agreements for directed content with its OEM customers. SPI Supply Agreement content does not conflict with the terms of these OEM initiated agreements.
- 1.5 All agreements are subject to SPI standard terms and conditions (SRM 7.0) unless otherwise explicitly noted in the agreement.
- 1.6 For Value Added Taxes, please strictly comply with relevant National tax provisions.
- 1.7 Supply Agreements apply to service product supply which may extend 10-15 beyond the production program life.

SRM - 5.0 Supplier Diversity

- 1.0 The purpose of this procedure is to define, identify and pursue opportunities for Minority, Women & Veteran (MW&V) owned enterprises to do business with Summit Polymers, Inc. It is SPI's policy to offer MW&V owned businesses an opportunity to compete on an equal basis with all other Suppliers. Further, SPI intends to assist in developing and strengthening MW&V owned businesses. Records shall be maintained within SPI to track MBE, WBE and VOSB purchases.
- 1.1 SPI procurement personnel, at Plant and Corporate level, shall provide opportunities for MBEs, WBEs and VOSBs to quote and provide MRO items.
- 1.2 MBEs, WBEs and VOSBs shall be provided full access to Supplier Development activities as provided by SPI.
- 1.3 All Suppliers of goods and services to SPI shall be encouraged to develop a similar Supplier Diversity procedure within their organization. Suppliers to SPI are expected to provide records of their purchases from MBEs, WBEs and VOSBs upon request from SPI. SPI shall provide guidance and direction in this area.

MBE (Minority Business Enterprise) is a company which is at least 51% owned, managed and controlled by one or more minority persons and certified by the National Minority Supplier Development Council (NMSDC) or a regional affiliate council.

WBE (Women Business Enterprise) is a company which is at least 51% owned, managed and controlled by one or more women and certified by the National Minority Supplier Development Council (NMSDC) or a regional affiliate council.

VOSB (Veteran Owned Small Business) is a company which is at least 51% owned, managed and controlled by one or more honorably discharged veterans certified by the U.S. Small Business Administration.

SRM - 5.1 Supplier Content Reporting

- 1.0 SPI may request content reporting information on an annual basis from its suppliers. Suppliers are responsible to comply with SPI standards (stated on each request), AIAG standards, government laws, and regulations.
- 1.1 As new parts are contracted, items removed from a contract, or the information contained in the Supplier's current certification/documentation is changed, the supplier shall notify SPI of these changes by forwarding corrected documents.
- 1.2 Any questions specific to Summit Polymers, Inc. should be directed to the Corporate Materials department located at:

Summit Polymers, Inc./Tech Center
6715 S. Sprinkle Rd.
Portage, MI 49002
Phone: 269-324-9330
- 1.3 If further assistance or help understanding the laws, regulations, and reporting requirements is necessary, the Supplier should consult with their customs broker and/or legal advisor. Additional contact information can be found on the SPI website.

SRM - 5.2 MSDS

- 1.0 The Supplier shall comply with the Federal Regulation requiring notification of all hazardous substances by appropriately notifying SPI through the use of MSDS sheets.
- 1.1 The Supplier shall prepare and submit MSDS documents in the native language of the country in which the SPI plant which uses the material, component, or assembly is located.

SRM - 5.3 IMDS/CAMDS Restricted Substance & Recycled Materials Reporting

- 1.0 Suppliers register to use the International Materials Data System (IMDS) developed by Electronic Data Systems (EDS). Access to the system is available through the Internet at **www.mdsystem.com**. The system was developed for the purpose of collecting and reporting data regarding materials / substances used in automotive products, including the content of recycled materials.
 - 1.0.1 Suppliers register to use the IMDS system by calling the IMDS Service Center Help Desk ((765) 854-6501) or by email at imds-eds-helpdesk-nao@eds.com.
 - 1.0.2 The IMDS Service Center will register the company and provide log on and user identifications for IMDS system users.
 - 1.0.3 CAMDS – For participating OEMs in China the China Automotive Material Data System must be maintained.
 - 1.0.4 The CAMDS website is www.camds.org.cn. Enter the CAMDS forum <https://ctc/camds.org/CAMDSForum/>.
 - 1.0.5 Suppliers may be required to input data into both IMDS and CAMDS depending on the distribution of their products.
- 1.1 Suppliers train their employees to effectively use the IMDS system to prepare, send, and receive Material Data Sheets (MDS's).
- 1.2 When requested by SPI Corporate Materials, but no later than the PPAP due date, the supplier electronically transmits the completed MDS, via the IMDS system, to SPI. Notwithstanding this reporting due date, if a supplier is aware of prohibited or restricted substances in its product in excess of the threshold shown in the specification or standard, the supplier notifies SPI as soon as possible and well before the PPAP date.
 - 1.2.1 An MDS is required for each supplier product even if the product contains no prohibited / restricted substances and no recycled materials.
 - 1.2.2 The MDS must include complete detail regarding the components, materials, and substances comprising the product. (Note: The IMDS system allows the user to maintain confidentiality regarding ingredients.).
 - 1.2.3 All screens of the MDS in the IMDS system must be properly completed.
 - 1.2.4 On the "Recipient data" screen, in addition to identifying Summit Polymers, Inc. as the recipient, suppliers are to input the SPI part number in the "Part / Item No." field.

SRM – 5.4 Supplier Obsolescence Claims

- 1.0 The materials function at an SPI plant issues to a supplier the final Vendor Planning Schedule for a material or component to be used by SPI to meet a customer's production requirements.
- 1.1 The materials function at an SPI plant issues a Notice of Final Production Delivery Order to a supplier confirming that a material or purchased component is no longer required for daily production at this SPI plant or by customers of that plant. If a supplier is selling that same product to more than one SPI plant, the supplier must not assume that a Notice received from one SPI plant represents a notice from all applicable SPI plants. If a supplier is not receiving weekly vendor planning schedules nor is it receiving vendor delivery schedules showing quantity requirements for a given material or component, and the supplier has not received a Notice of Final Production Delivery Order, then it is the supplier's responsibility to contact the appropriate Purchasing Coordinator at the appropriate SPI plant and request that a Notice be issued.
- 1.2 Upon receipt of the Notice, the supplier completes an Obsolescence Claim Form.

Rules governing the obsolescence claims of suppliers are as follows:

- 1.2.1 Claims from suppliers that are less than \$500 in value will not be accepted. These claims will be rejected and returned to the supplier.
- 1.2.2 Claims cannot be submitted for materials or parts, which have not achieved Part Submission Warrant (PSW) approval.
- 1.2.3 A supplier has 15 calendar days from the date of the Notice of Final Production Delivery Order to submit an Obsolescence Claim Form. The date the Notice is issued "starts the clock".
- 1.2.4 To be valid, quantities claimed must be supported by the release number(s) of the Vendor Planning Schedule(s) that SPI issued which authorized material in excess of the quantities purchased by SPI. Unless a supplier has a special contract with SPI stating otherwise, a supplier may claim a maximum of two weeks of finished goods ("FAB") and zero weeks of raw material ("RAW") when making an obsolescence claim.
- 1.2.5 A supplier cannot dispose of any of the material claimed until the supplier receives a specific authorization to dispose of material from SPI. Any item of claimed obsolescence that has been disposed of will be rejected in a supplier's claim.
- 1.2.6 All materials or component parts must be in and remain in a condition that complies with SPI specifications until such time as SPI issues an authorization to dispose of the material.
- 1.2.7 It is a supplier's responsibility to retain evidence of submission of a claim and supporting documentation. It is recommended that a supplier submit its claim documents via email to ensure dated evidence is available.

- 1.2.8 A supplier must contact the buyer of the goods in the Summit Polymers' Corporate Materials Department to dispute a claim rejected by an SPI manufacturing plant. It is not the responsibility of the plant materials department to resolve disputes.
- 1.3 The supplier forwards the completed Supplier Obsolescence Claim Form to the appropriate Purchasing Coordinator at the applicable SPI plant.
- If an SPI plant sends a Notice to a supplier and the supplier does not submit an obsolescence claim form, it is assumed the supplier has no obsolete inventory to claim.
- 1.4 The Plant Obsolescence Analyst at the appropriate SPI plant receives, reviews, and analyses the claim of the supplier.
- 1.4.1 If there are errors or omissions on the claim form, the claim will be rejected and returned to the supplier for correction. The supplier must return the corrected form within the original 15-day submission period. If the supplier accepts the rejection and fails to return the form, then the process will stop here. If the supplier's claim is rejected and the supplier objects to the decision, the supplier must appeal that rejection to the buyer in SPI's Corporate Materials Department.
- 1.4.2 The analyst contacts Corporate Materials (as necessary) to confirm the material authorizations (FAB and RAW) contracted for between SPI and the supplier. Unless a special contract exists, a supplier's material authorization is for two weeks of fabricated goods and zero weeks of raw material.
- 1.4.3 The analyst independently analyses Vendor Planning Schedules issued by SPI and receipts recorded by SPI to determine the appropriate number of claim units and compares it to the units shown on the claim form submitted by the supplier. (refer to Exhibit C for the methods used to correctly calculate the number of claim units).
- 1.4.4 The analyst determines appropriate unit dollar value for each of the items claimed by the supplier. The SPI Corporate Materials Department is consulted as is necessary.
- 1.4.5 The analyst determines the appropriate value of the supplier's claim. Minor differences between SPI's determination and the value shown on the supplier's claim are resolved.
- 1.4.6 The analyst determines if an audit of the claimed inventory is required. If an audit of the claimed inventory is required, the obsolescence analyst may request that the supplier hold all parts until the obsolescence analyst or other appropriate person completes an audit at the supplier's location. Alternatively, the obsolescence analyst may request that the supplier ship the claimed material or parts to the applicable SPI plant for an audit at that location. In the case of an audit, the obsolescence analyst and the SPI plant finance analyst will conduct the audit and sign the audit records. These signed records will be retained at the SPI plant to support the payment of the claim.

- 1.5 The analyst completes those sections of the Supplier Obsolescence Claim Form that are marked for "SPI USE ONLY".
- 1.6 If the supplier's claim is accepted, the Plant Obsolescence Analyst informs the supplier via email of the method to be used to dispose of the inventory and notes the disposition method on the claim form.
- 1.7 If the supplier's claim is accepted, the Plant Obsolescence Analyst follows the plant procedure for issuing a purchase order to the supplier in the amount of the claim.
- 1.8 Upon receipt of the purchase order from the SPI plant, the supplier issues an invoice for the amount of the claim.
- 1.9 Upon receipt of the invoice from the supplier, the SPI plant makes payment of the supplier's invoice and the process ends.

SRM – 5.5 Supplier Performance - Evaluation System

- 1.0 Suppliers shall be provided a monthly record of performance based on the measures included on the current version of the SPI Supplier Performance Evaluation (SRM 6.0) or per CS-TS-07.0001 for some Summit Nanjing Plastics (SPN) suppliers.
- 1.1 Targets in each measurable shall be reviewed and revised annually to encourage continuous improvement (SRM 4.2 Continuous Improvement Program).
- 1.2 The Supplier Performance Evaluations shall be approved and forwarded to the Supplier no later than the last week of each month.
- 1.3 For specific performance levels a continuous improvement plan may be required as per SRM 4.2.
- 1.4 All questions concerning this procedure and/or questions regarding the performance rating should be directed via email to: squality@summitpolymers.com.

SRM – 5.6 Supplier Performance – Evaluation Criteria



Supplier Performance Evaluation Criteria

SPI has chosen five key categories in which supplier performance will be measured. Listed below are the categories and the points assigned to each, followed by an explanation of how points are earned, or lost, in each category:

<u>CATEGORY</u>	<u>OVERALL WEIGHT</u>
QUALITY	40
DELIVERY	30
LEADERSHIP	10
PPAP SUBMISSIONS	10
COST	10
TOTAL POINTS	100

QUALITY: To receive the full 40 points the Supplier must have zero Material Rejection Notices (MRNs) and zero PPM. There will be a 2 point deduction for every MRN. There will be a 10 point deduction for 5 or more MRNs. There will be a deduction of 2 points for every 25 PPM increment up to 50 PPM and a deduction of 3 points for every 50 PPM increment after 50 PPM. There will be a 30 point deduction for 400 PPM or higher.

DELIVERY: To receive the full 30 points the Supplier must have 100% on-time delivery. There will be a 2.0 point deduction for every 1 percent under 100% on-time delivery. There will be a 30 point deduction if the Supplier's on-time delivery is less than 85%.

LEADERSHIP: To receive the full 10 points the Supplier must complete all required EW8D responses within the time frame specified in section 2.7 of the SPI Supplier Requirements Manual and have zero recurring rejections. There will be a 5 point deduction if one or more EW8D responses are not received on-time. There will be a 5 point deduction for one or more recurring rejections.

PPAP SUBMISSIONS: To receive the full 10 points the Supplier must submit acceptable PPAP packages by the required date.

COST: Annually suppliers are required to support cost reduction targets depending on their commodity and market conditions. Suppliers will receive 10 full points if they achieve 100% of their assigned targets. Those suppliers who partially achieve these targets will be awarded the proportional value of the 10 points.

Once the monthly score is computed, a 'report card' rating is assigned, with results as shown below:

<u>RATING</u>	<u>SCORE</u>	<u>RESULTS</u>
A	100-91	Supplier enjoys preferred sourcing on all quotes.
B	90-80	Supplier allowed to quote without preferred status.
C	79-70	Quoting privileges reviewed for suspension by SPI Vice President, Materials and Purchasing. Supplier may be required to present improvement plan at Supplier Issues Meeting. Supplier may be selected for on-site audit.
D	69-0	Quoting privileges reviewed for suspension by SPI Vice President, Materials and Purchasing. Supplier upper management may be contacted formally. Supplier may be required to present improvement plan at Supplier Issues Meeting. Supplier may be selected for on-site audit. SPI may de-source Supplier on current programs. Supplier may be placed on 3 rd party containment.



SRM 6.0 - Supplier Performance Evaluation Form

SRM Form 6.0

Summit Polymers, Inc.
Supplier Performance Evaluation

Supplier: _____ SPI Contact: _____

Attn: _____

Evaluation Period: _____ through _____

Rev Date: 3/1/2018
Supplier ID: _____

Category	Measurable	Rating		
		Current	Weights	Score
Quality	Number of Defective Parts			
	Number of Parts Shipped			
	Defective Ratio (PPM) – Goal = 60 PPM or less		30	
	MRN's - Pieces			
	- Issues		10	
	Concerns - Pieces			
	- Issues			
	Accumulations			
Deliveries	Number of On Time Deliveries			
	Number of Scheduled Deliveries			
	Percent On Time Deliveries – Goal = 100%		30	
	Supplier Caused Premium Freight			
Leadership and Technology	Required EWSD Replies (Number)			
	On Time Replies (Number)			
	Percent Compliance		5	
	Recurring Rejections		5	
	Percent of Rejections			
	Content Reporting Compliance			
PPAP	PPAP Submission (Pre-Launch) 100% on Time		10	
Cost	Cost Reduction Suggestions (Per Calendar Quarter)		10	
		Totals:	100	

Current Rating: _____ 100-91=A, 90-80=B, 79-70=C, 69 or below=D

Comments: _____

Issued By: _____ Date: _____ Approval: _____

SRM 6.1 - Material Rejection Notice

Material Rejection Notice
 Summit Polymers, Inc.
 Tech Center (Portage MI)
 Phone: (269) 324-9330

MRN # ①

Date ③	Supplier Name ④	SPI Part Number ⑤	Product Name ⑥
Classification ⑦ <input type="checkbox"/> Rejection <input type="checkbox"/> Accumulation <input type="checkbox"/> Concern (does not impact PPM)			Quantity ⑧
Frequency of Non-Conformance ⑨ <input type="checkbox"/> First Occurrence <input type="checkbox"/> Recurring Rejection		Traceability Information ⑩ Mfg. Date Shift Operator	
Defect Codes ⑪	Description / Sketch of Non-Conformance ⑫		
Written Corrective Action Required? <input type="checkbox"/> Yes <input type="checkbox"/> No ⑬ If Yes: Initial Response Due Date (within 48 hours): _____ Final Response Due Date (within 15 days): _____ Extension Response Due Date: _____ Approval _____			
Non-Conforming Material Disposition ⑭ Quality Mgr. or Designee - RMA: _____ Supplier Contact Info. _____ Name 1 _____ ⑮ 2 _____ 3 _____ <input type="checkbox"/> Phone Date: _____ Samples Sent? <input type="checkbox"/> Yes <input type="checkbox"/> Fax Time: _____ <input type="checkbox"/> No <input type="checkbox"/> E-mail _____			
Contact Comments ⑯			
Quality Costs ⑰			MRN Written By ⑲
Category	Rate	Hours	Total
Administrative			
Freight			
Sort			
Other			
Totals			
Note: a) Containment Activity Required Until Corrective Action Validated b) Failure to provide return authorization after 5 business day notification will result in disposition of scrap on site at the suppliers expense			
CC: Corporate Materials Materials Manager Kanban Supervisor Quality Manager Quality Engineer Other _____ Financial Manager Quality Coordinator Other _____			


SRM 6.1
Rev Level: Release
Rev Date: 3/1/2018

SRM 6.1.1 - Material Rejection Notice Description


A Material Rejection Notice (MRN) will be filled out for all nonconforming purchased product and for any nonconforming customer owned product, directly related to product quality.

1. The MRN number, first 2 digits identify issuing Summit plant, next 2 digits identify year of MRN, last 6 digits are sequential and match the vendor return number in Summit's CMS.
2. The name and phone number of the Facility issuing the MRN.
3. The date the MRN is being issued.
4. The name of the Supplier receiving the MRN.
5. The SPI part number for which the MRN is being issued.
6. The SPI part name for which the MRN is being issued.
7. The MRN (rejection, concern, or accumulation) classification.
8. The entire quantity of rejected material.
9. The frequency of non-conformance.
10. The traceability information, including the manufacturing date, shift, and operator (if available).
11. The applicable defect code(s).
12. A description and/or sketch of the nonconformance for which the MRN is being issued.
13. Written corrective action request and response dates.
14. Nonconforming material disposition and RMA number.
15. Name of Supplier contact and how contact was made. Date and time of contact. Whether or not samples were sent.
16. Contact information.
17. Quality costs.
18. Name of person who filled out MRN.

SRM 6.2 – Supplier Shipping Instruction (Argus Logistics)

**Summit Polymers**

Supplier Shipping Instructions
Date Issued: , 2016

**ARGUS LOGISTICS**

To Whom It May Concern,

Attached you will find your updated Supplier Shipping Instructions for **Summit Polymers-Plant** . Please use these instructions for shipments effective immediately. Please return a signed copy of this latest file to compliance@argussolutions.net.

If you have any questions or concerns, please contact Kimberlee Whitaker
313-727-8304
kwhitaker@argussolutions.net

Thank you,
Keeley Pandy
Argus Logistics
PO Box 4750
Troy, MI 48099

SRM 6.3 – Supplier Routing Instructions



Supplier Routing Instructions

Customer:

Supplier Name & Code:

NOTE: THE DATE SHOWN ON SPI'S SHIPPING RELEASE IS SPI'S IN-PLANT DUE DATE.

A. Standard, Non-Expedited Delivery

INCOTERMS 2000 (if applicable)																
F.O.B. Point:																
Transit Time: (No. of days supplier must ship in advance of SPI's in-plant delivery due date as shown on SPI's shipping release.)																
Shipping Days (if applicable)	Supplier is to ship on any normal business day as is necessary to meet SPI's in-plant delivery due date as shown on SPI's DELJIT (shipping release).															
Shipping Dock Window Time: (if applicable)	N/A															
Carrier No. 1, SCAC, & Mode: (TL, LTL, Ground Services, Ocean, etc.)																
Carrier No. 2, SCAC, & Mode: (if applicable)																
SPI Customs Broker: (if applicable)																
Special Instructions: (if applicable)	<ol style="list-style-type: none"> Supplier is required to contact the named carrier to arrange for the pick up of the goods at supplier's dock. Supplier is required to provide the carrier with the documents shown below (x) and in the noted quantity: <table border="0"> <tr> <td></td> <td>Dom.</td> <td>Int'l</td> </tr> <tr> <td>• Bill of Lading</td> <td>(x) 1</td> <td>(x) 1</td> </tr> <tr> <td>• Packing List</td> <td>(x) 1</td> <td>(x) 4</td> </tr> <tr> <td>• Commercial Invoice</td> <td></td> <td>(x) 4</td> </tr> <tr> <td>• Certificate of Origin</td> <td></td> <td>(x) 4</td> </tr> </table> Supplier is to ship on mixed skids (if applicable) to minimize cost. Mixed skids are to include a master skid label. 		Dom.	Int'l	• Bill of Lading	(x) 1	(x) 1	• Packing List	(x) 1	(x) 4	• Commercial Invoice		(x) 4	• Certificate of Origin		(x) 4
	Dom.	Int'l														
• Bill of Lading	(x) 1	(x) 1														
• Packing List	(x) 1	(x) 4														
• Commercial Invoice		(x) 4														
• Certificate of Origin		(x) 4														

B. Non-Standard Expedited Delivery

Special Instructions:	<ol style="list-style-type: none"> When supplier can not meet SPI's in-plant due date using the standard routing, the supplier is responsible for: a) establishing the routing for the expedited shipment, b) contacting SPI and informing it of the expedited delivery mode and the expected delivery date, and for making payment for the expedited routing. If supplier thinks SPI is responsible for the cost of premium transportation, supplier is to notify SPI in advance of making the expedited shipment. If SPI agrees, SPI will issue a premium transportation authorization.
-----------------------	---

C. Signatures (To be signed after phone training between Supplier, Customer Shipping Plant, and Customer Purchasing representative are in agreement to this routing)

Summit Receiving Plant: (Materials Manager)	Signature:	Date:
Supplier Representative:	Signature:	Date:
Summit Corporate Purchasing: (Logistics Buyer)	Signature:	Date:



SRM 6.4 - EW8D Form and SRM 6.4.1 EW8D Instruction

EW8D

Describe Symptom: _____

Date Opened: _____
Last Revision: _____
MRNA: _____
Log # _____
Days Open _____

D2 Describe Problem (Object, Concern, Quantification)	D3 Contain Symptom	D4 Find and Verify Root Cause	D5 Choose Corrective Action and Verify	D6 Implement Corrective Action and Validate	D7 Prevent System Problem
	Verify Date: _____	Occur Cause Path Verify: _____	Occur Verify Date: _____	Occur Validate Date: _____	Occur
	Validate Date: _____	Escape Cause Path Verify: _____	Escape Verify: _____	Escape Validate: _____	Escape
D1 Establish Team					
D8 Congratulate Team					
SPI Review _____		Title: _____	Date: _____		

SRM 6.4 Rev date: 3/1/2016

EW8D Instructions

Describe Symptom: State the circumstance, event, or condition that indicates the existence of a problem through analysis of a trend chart.

Date Opened: _____
Last Revision: _____
MRNA: _____
Log # _____
Days Open _____

D2 Describe Problem (Object, Concern, Quantification)	D3 Contain Symptom	D4 Find and Verify Root Cause	D5 Choose Corrective Action and Verify	D6 Implement Corrective Action and Validate	D7 Prevent System Problem
<p>To solve a problem, it must be precisely defined. Construct info. database using the following:</p> <p>What The object or part concern (Defect).</p> <p>Where Seen on the object. The geographical location of the problem (In house & In Transit).</p> <p>When First discovered problem. When else seen. When seen in process cycle.</p> <p>How Big What is trend. How big is the problem. (Paynter chart) How many objects have the defect (Quantification).</p> <p>Once a problem has been developed. Continue to ask why until you reach a level that can be acted upon. Develop Paynter Chart.</p>	<p>Contain symptom immediately to protect customer.</p> <p>Identify action.</p> <p>Purge & sort at customer. In transit & in house (End Item & in process record date).</p> <p>Verify Action stops defects.</p> <p>Certify parts & confirm customer satisfaction. Record date.</p> <p>Validate Action taken is fully effective & identify actions on Paynter Chart. Record date.</p> <p>Continue. Chronological action plan & update throughout each step of the problem solving process to support all activity required to eliminate problem (Actions, Timing, Resp.).</p>	<p>Continue with info database.</p> <p>Define difference, determine changes. Re-evaluate problem description.</p> <p>Occur Cause Path A problem has two distinct root cause paths: Why did the problem occur on the object. Challenge conclusion with Why!</p> <p>Verify Occur root cause (by making failure come & go).</p> <p>Escape Cause Path Why did the defect escape to the customer. Again challenge conclusion with Why!</p> <p>Verify Escape root cause (by making "failure" come & go).</p>	<p>Continue with info data base, analyze best corrective action, focus on impact & risk.</p> <p>Occur/Escape Verify that corrective action eliminates root cause by testing to failure and the after condition does not create another effect. Record date.</p> <p>Occur Choose corrective action which permanently eliminates the occur root cause path.</p> <p>Escape Choose corrective action which permanently eliminates the problem from getting to the customer.</p>	<p>Following "Engineering Change Product/Process Checklist" & "Process Sign-Off" to eliminate or minimize implementation effect.</p> <p>Occur Record Date. Implement the action plan.</p> <p>Validate Use the original measurable (indicator) that identified problem. Continue Paynter Chart data in-house & through customer feedback.</p> <p>Escape Implement the action plan.</p> <p>Validate If there are any escapes then correct occur root cause was not properly identified. Assess removal of containment action.</p>	<p>Occur Identify the System, Practices, Procedures & Specification Standards that allowed the problem to occur.</p> <p>Reassess the team for cross functional expertise to ensure system actions are implemented and evaluate results through Paynter & Trend Chart. Record date.</p> <p>Link corrective actions to product development process.</p> <p>Escape Scope system & determine prevent action, which will continue to reduce variation.</p>
D1 Establish Team	<p>Notes:</p> <ol style="list-style-type: none"> 1. Separate sheets should be used for sketches and/or photograph to provide visual understanding problem and problem resolution. 2. Containment required until root cause resolution is validated. 3. Notice of problem initial containment required EW8D required no later than 30 days from MRN Notice date. 				
D8 Congratulate Team					

SRM 6.4.1 Rev Date: 3/1/2016

SRM 6.5 – Supplier Deviation Request Form

CMM 06.05.01



Supplier Deviation Request Form

Supplier Information		Product Information	
Date:		SP Part Nb	
Name:		Supplier Part Nb.	
Contact:		Description:	
Phone #:		EC Level:	
E-Mail:		Quantity:	

Deviation Information		
Deviation request is:		
<input type="checkbox"/> Product Related	<input type="checkbox"/> 1st Time	<input type="checkbox"/> Permanent
<input type="checkbox"/> Process Related	<input type="checkbox"/> Repeat	<input type="checkbox"/> Temporary/Duration
Current Requirement	Requested Deviation	Reason for Deviation

SPI Plant Approval, optional (signature of responsible person):		
Print Name	Signature	Date

SPI Engineering Approval, required (signature of responsible engineer):		
Print Name	Signature	Date

Drawing Change Required?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	If Yes, PCR/ECR #:	
Corrective Action Required?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	If Yes, Date Due to SPI:	
Customer Approval Required?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	If Yes, Date Due to SPI:	

Final Disposition:	<input type="checkbox"/> Approve	<input type="checkbox"/> Disapprove
Comments:		



SRM 6.6 – Supplier Packaging Approval Form

SUPPLIER PACKAGING INFORMATION SHEET <small>K BPD 0301.03</small>		<small>REV. LEVEL: Release REV. DATE: 31-2016</small>				
PART DIGITAL PHOTO (or Sketch)	CUST OMER PART NUMBER		PART NAME			
	SUPPLIER PART NUMBER		CUST OMER LOCATION			
	PROGRAM		SUPPLIER LOCATION			
CUST OMER NAME Summit Polymer, Inc.		CONTACT		PHONE		
SUPPLIER CODE		EMAIL		FAX		
Parts per Container	Layers per Cont.	Items per Container layer	Containers per skid layer	Layers per pallet		
				Pads per Container		
				FRY. Per Cont.		
				Cost. per Pallet		
				Unit Load Qty		
				Lids per UL		
FFV	CPV	Bags per Container	0	Foams per Container		
			0			
		PARTS DAY		CONT / DAY		
DIMENSIONS		PACKAGING	ITEM CST	DESCRIPTION		
L	W	H		SP. NUM.		
				UM		
				VENDOR		
				PART		
				USAGE		
				CUST I. D.		
				CST PC		
CONTAINER PHOTO (or Sketch)		CONTAINER		#VALUE!		
CELL		PAD				
CONTAINER TYPE		PARTITION		#VALUE!		
SHIPPING UNIT PHOTO (or Sketch)		PALLET				
L		LID CVR				
W		SAG				
H		FOAM				
MIN		MISC				
MAX		MISC				
CONTAINER TYPE		RYN PKG	TOTE QTY	PALLET QTY		
<input type="checkbox"/> Export Pack		DAYS OF PKG		QUOTE PKG EXP		
<input type="checkbox"/> Back-up Pack				QUOTE PKG RTN		
<input type="checkbox"/> Service Pack				TOTAL		
				\$0.0000		
PACKAGING METHOD		SHIPPING TYPE			PALLET TARE WT	
					PAK WEIGHT FOR CMS	PAK TARE WT
<input type="checkbox"/> (Returnable) <input type="checkbox"/> (Expandable)		<input type="checkbox"/> Modularized Container			PART WT	
		<input type="checkbox"/> Modularized Containers on Pallet			PACK WT	
		<input type="checkbox"/> Unit Load (Pallet Box Type)			U.L. WT	
		Damage Tax '01			PAK Tax '01	
SIGNATURE OF AUTHORIZED REPRESENTATIVE:		FOR SUPPLIER APPROVALS USE			FOR CUSTOMER APPROVALS USE	
		DATE: MAT'L S ENGINEER-PACKAGING			NAME OF SIGNATORY:	
CONTAINERS PER PALLET		DATE:			TITLE:	
					DATE:	



SRM 6.7 - Supplier Cost Reduction Suggestion Form



SUPPLIER COST REDUCTION SUGGESTION FORM TO BE COMPLETED BY SUPPLIER				
Supplier:			Date:	
Submitted By: Phone #:			Submitted To: (SPI Corporate Buyer)	
SPI Purchased Item Part #			Investment Required (if Applicable)	
Proposed Piece Price	Current Piece Price	Savings/Unit	Annual Usage	Estimated Annual Savings
Description of Suggestion:				
TO BE COMPLETED BY SUMMIT POLYMERS				
Date Logged:			Supplier Cost Reduction Log Number:	
Suggestion Accepted: <input type="checkbox"/>		Suggestion Rejected: <input type="checkbox"/>		Accepted w/ Modifications: <input type="checkbox"/>
Date Implemented:				
Approved Piece Price	Current Piece Price	Savings/Unit	Annual Usage	Approved Annual Savings
Modifications to Suggestion or Reason Rejected:				

Approval Signatures (as appropriate)	Date
SPI Corporate Buyer _____	_____
SPI Plant General Manager _____	_____
SPI Project Engineer _____	_____

SRM 6.7

Rev. Level Release

Rev. Date: 3/1/2016

SRM 6.8 - Request for Quote (RFQ)

 Molded & Decorated Plastic Systems	<table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <th colspan="2" style="text-align: center;">Request For Quotation</th> </tr> <tr> <td style="font-size: small;">RFQ No.:</td> <td style="font-size: small;">n mm.dd.yy</td> </tr> <tr> <td style="font-size: small;">Date of Issue:</td> <td style="font-size: small;">Month xx, 200X</td> </tr> <tr> <td style="font-size: small;">Requested Completion Date:</td> <td style="font-size: small;">Month xx, 200X</td> </tr> </table>	Request For Quotation		RFQ No.:	n mm.dd.yy	Date of Issue:	Month xx, 200X	Requested Completion Date:	Month xx, 200X																										
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<p style="font-size: small; font-weight: bold;">Product Specifications:</p> <div style="border: 1px solid black; height: 40px;"></div>																																			
<p style="font-size: small; font-weight: bold;">Notes and Comments:</p> <div style="border: 1px solid black; height: 60px;"></div>																																			
<p style="font-size: small; font-weight: bold;">Quotation Requirements:</p> <table border="1" style="width: 100%; font-size: small;"> <tr> <td style="width: 50%;">1. Production unit price.</td> <td style="width: 50%;">6. Complete "Supplier Price Detail Worksheet", or equivalent.</td> </tr> <tr> <td>2. Production tooling cost, if any, and timing (in weeks) to complete tooling.</td> <td>7. Proposed package size and count.</td> </tr> <tr> <td>3. Prototype unit cost.</td> <td>8. Harmonized tariff classification code of the goods.</td> </tr> <tr> <td>4. Prototype tooling cost, if any, and timing (in weeks) to complete tooling.</td> <td>9. Shipping Point (City, State, Country)</td> </tr> <tr> <td>5. Weeks from "kick off" to PPAP.</td> <td>10. Order processing time and delivery conveyance time.</td> </tr> </table>		1. Production unit price.	6. Complete "Supplier Price Detail Worksheet", or equivalent.	2. Production tooling cost, if any, and timing (in weeks) to complete tooling.	7. Proposed package size and count.	3. Prototype unit cost.	8. Harmonized tariff classification code of the goods.	4. Prototype tooling cost, if any, and timing (in weeks) to complete tooling.	9. Shipping Point (City, State, Country)	5. Weeks from "kick off" to PPAP.	10. Order processing time and delivery conveyance time.																								
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<p>NOTICE: Buyer's Terms and Conditions of Purchase, which are available at summitpolymers.com and which are incorporated by reference in this Request For Quotation as if set forth fully herein, ARE EXCLUSIVE and apply to all proposals accepted by Buyer for the products set forth in the Request For Quotation and represent the sole and exclusive terms upon which Buyer will purchase products from Seller. This Request for Quote does not incorporate or assent to any terms and conditions proposed by Seller in any proposal or other communication. Any additional or different terms and conditions proposed by Seller are unacceptable to Buyer, are expressly rejected by Buyer, and shall not be binding upon Buyer unless accepted in writing on behalf of Buyer by a Vice President of Buyer (the "authorized Representative of Buyer"). Buyer's failure to object to provisions contained in any communication from Seller shall not be deemed an acceptance thereof nor shall they supersede these terms and conditions.</p>																																			
CMM 09.07.01	Revision Date: 2/23/2016	Page 1 of 2																																	

SRM 6.8.1 - Supplier Piece Price Cost Detail Worksheet

SRM Form 6.8.1

**Summit Polymers, Inc.
Supplier Piece Price Detail Worksheet**

Date:		Part:		Volume Quoted:	
Supplier Name:		Drawing Level:		Tooling Capacity:	
Prepared By:		Local Currency:		@ Hrs. / Day:	
Plant Location:		Exchange Rate:		@ Days / Week:	

Raw Material & Purchased Components:

No.	(1) Item Description	(2) Item Identification	(3) Units or Weight	(4) Cost / Unit	(5) Total	(6) country Origin
	Disposable Packaging					
				Total Material		

Labor & Burden:

No.	(7) Operation / Process Description	(8) Labor Rate	(9) Std. Cost	(10) Labor Cost	(11) Oper. No.	(12) Machine Size	(13) Pcs. Per	(14) Var. Cost	(15) Fixed Cost	(16) Total
			Total Labor:						Total Burden:	

Comments:		(17) Prepaid Freight	
		(18) Total Manufacturing Cost (Material + Labor + Burden)	
		(19) Selling, General & Administrative Expenses	
		(20) Profit	
		(21) Selling Price (U.S. \$)	

Note: You may submit this data in your own format as long as the same level of detail is provided.

SRM 6.9 – Supplier Engineering Change Labels

SRM 6.9.1 - US N.A. Version

Summit Polymer Inc., Supplier Engineering Change Label	
Supplier Name:	
Part No.:	
Part Name:	
Customer Name:	
Lot No.:	
EC Information:	

SRM 6.9.1 Rev. Level: Release Rev. Date: 3/2/2016

SRM 6.9.2 - China Version

Summit Polymer Inc., Supplier Engineering Change Label	
Supplier Name: 供应商名称	
Part No.:	
产品编号	
Part Name:	
产品名称	
Customer Name:	
客户名称	
Lot No.:	
批号	
EC Information:	
工程变更信息	

SRM 6.9.2 Rev. Level: Release Rev. Date: 3/2/2016

SRM 6.9.3 - Mexico Version


Summit Polymer Inc., Supplier Engineering Change Label	
Supplier Name:	
Nombre del Proveedor:	
Part No.:	
Num. de Parte:	
Part Name:	
Nombre de la Parte:	
Customer Name:	
Nombre del Cliente:	
Lot No.:	
No. de Lote:	
EC Information:	
Informacion del EC:	

SRM 6.9.3 Rev. Level: Release Rev. Date: 3/2/2016

SRM 6.10 – EFT Payment Authorization Form

<p>OMM 09.04.01</p>	<p>Rev Date: 12/11/2015</p>								
	<p>Summit Polymers, Inc. 6715 S. Sprinkle Rd. Portage, MI 49002 USA</p>								
<h3>Electronic Funds Transfer Authorization Form</h3>									
<p><u>Supplier Information: Section to be completed by Payee</u></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Company Name (& any DBA's): _____</td> <td style="width: 50%;">Contact Name: _____</td> </tr> <tr> <td>Remit Address: _____ _____</td> <td>Telephone Number: _____</td> </tr> <tr> <td></td> <td>FAX Number: _____</td> </tr> <tr> <td>City, State & Zip: _____</td> <td>Email Address for Vendor Remittance: _____</td> </tr> </table>		Company Name (& any DBA's): _____	Contact Name: _____	Remit Address: _____ _____	Telephone Number: _____		FAX Number: _____	City, State & Zip: _____	Email Address for Vendor Remittance: _____
Company Name (& any DBA's): _____	Contact Name: _____								
Remit Address: _____ _____	Telephone Number: _____								
	FAX Number: _____								
City, State & Zip: _____	Email Address for Vendor Remittance: _____								
<p><u>Banking Information: Section to be completed by Payee</u></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Bank Name: _____</td> <td style="width: 50%;">Account Name: _____</td> </tr> <tr> <td>Bank Address: _____ _____</td> <td>Account Number: _____</td> </tr> <tr> <td></td> <td>ABA/Routing No.: _____</td> </tr> <tr> <td>City, State & Zip: _____</td> <td></td> </tr> </table> <p>US Banks only</p>		Bank Name: _____	Account Name: _____	Bank Address: _____ _____	Account Number: _____		ABA/Routing No.: _____	City, State & Zip: _____	
Bank Name: _____	Account Name: _____								
Bank Address: _____ _____	Account Number: _____								
	ABA/Routing No.: _____								
City, State & Zip: _____									
<p><u>Bank Verification (required only if voided check is not attached):</u></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Bank Contact Name: _____</td> <td style="width: 50%;">Bank Signature/Verification Stamp: _____</td> </tr> <tr> <td>Phone Number: _____</td> <td>_____</td> </tr> <tr> <td></td> <td style="text-align: right;">Date: _____</td> </tr> </table>		Bank Contact Name: _____	Bank Signature/Verification Stamp: _____	Phone Number: _____	_____		Date: _____		
Bank Contact Name: _____	Bank Signature/Verification Stamp: _____								
Phone Number: _____	_____								
	Date: _____								
<p><u>Section to be completed by Payee</u></p> <p>The payee accepts the terms of this agreement (Attachment A) executed on this _____ day of _____, 20____.</p> <table border="0" style="width: 100%; margin-top: 10px;"> <tr> <td style="width: 50%; text-align: center;"> _____ Payee Authorized Signature </td> <td style="width: 50%; text-align: center;"> _____ Printed Name and Title </td> </tr> </table>		_____ Payee Authorized Signature	_____ Printed Name and Title						
_____ Payee Authorized Signature	_____ Printed Name and Title								

SRM 6.11 – Supplier Contact Information Change Form



SUMMIT POLYMERS, INC.
TECH CENTER
6715 S.SPRINKLE RD.
PORTAGE, MI 49002

SUPPLIER CONTACT CHANGE NOTIFICATION FORM

Please forward this form to your Summit Purchasing Buyer

Prepared by:
 Date:

Owner / CEO Name:	<input style="width: 95%;" type="text"/>	Email Address:	<input style="width: 95%;" type="text"/>
Office Hours	Office Phone #	Cell Phone #	Fax #
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>

Operations/Plant Mgr Name:	<input style="width: 95%;" type="text"/>	Email Address:	<input style="width: 95%;" type="text"/>
Office Hours	Office Phone #	Cell Phone #	Fax #
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>

Sales Mgr Name:	<input style="width: 95%;" type="text"/>	Email Address:	<input style="width: 95%;" type="text"/>
Office Hours	Office Phone #	Cell Phone #	Fax #
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>

Quality Mgr Name:	<input style="width: 95%;" type="text"/>	Email Address:	<input style="width: 95%;" type="text"/>
Office Hours	Office Phone #	Cell Phone #	Fax #
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>

Engineering Mgr Name:	<input style="width: 95%;" type="text"/>	Email Address:	<input style="width: 95%;" type="text"/>
Office Hours	Office Phone #	Cell Phone #	Fax #
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>

Manufacturing Mgr Name:	<input style="width: 95%;" type="text"/>	Email Address:	<input style="width: 95%;" type="text"/>
Office Hours	Office Phone #	Cell Phone #	Fax #
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>

Customer Service Mgr Name:	<input style="width: 95%;" type="text"/>	Email Address:	<input style="width: 95%;" type="text"/>
Office Hours	Office Phone #	Cell Phone #	Fax #
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>

Customer Service Rep. Name:	<input style="width: 95%;" type="text"/>	Email Address:	<input style="width: 95%;" type="text"/>
Office Hours	Office Phone #	Cell Phone #	Fax #
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>

NAFTA Contact Name:	<input style="width: 95%;" type="text"/>	Email Address:	<input style="width: 95%;" type="text"/>
Office Hours	Office Phone #	Cell Phone #	Fax #
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>

Restricted Substance Contact Name:	<input style="width: 95%;" type="text"/>	Email Address:	<input style="width: 95%;" type="text"/>
Office Hours	Office Phone #	Cell Phone #	Fax #
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>

Other Contact Name:	<input style="width: 95%;" type="text"/>	Email Address:	<input style="width: 95%;" type="text"/>
Office Hours	Office Phone #	Cell Phone #	Fax #
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>

OIM 04.01.02

SRM 7.0 – SPI Terms and Conditions for Production

ACCEPTANCE AND MODIFICATION OF AGREEMENT. This purchase order (PO) becomes a binding contract, subject to the terms and conditions hereof, when accepted by delivery of acknowledgement to Buyer or by delivery of product in whole or in part. Any acknowledgement form or other form of Seller containing terms and conditions of sales shall not have the effect of adding to, modifying or deleting the terms and conditions hereof. Any addition to, modification of, or deletion from this PO to be valid, must be in writing and signed by Buyer's authorized representative. It is the specific intent of the buyer that the only contract with the Seller is that found in the terms of this PO, unless so modified. Any modifications proposed by Seller are expressly rejected by Buyer and shall not become part of the contract in the absence of Buyer's written acceptance.

DELIVERY. (a) Except if this Order is identified as a "Blanket" Order, delivery must be upon the date indicated. If this Order is identified as a "Blanket" Order, deliveries are to be made only in quantities and at times specified by Buyer in shipment releases issued to Seller by Buyer. Buyer shall have no liability for payment for Goods ordered by Seller and/or delivered to Buyer which are in excess of quantities specified in the Order or in the releases. Buyer from time to time and with reasonable notice may change or temporarily suspend shipping schedules specified in the Order of shipment releases. (b) Unless otherwise indicated in an Order, (i) all shipping, drayage, demurrage, storage, insurance, packing and related charges shall be prepaid by Seller, and then billed to Buyer if Buyer is responsible for the terms of the Order. (ii) All goods shall be suitably packed, marked and shipped in accordance with the requirements of common carriers in a manner to secure the lowest transportation costs consistent with the requirements hereof and no additional charge shall be made to Buyer therefore. Packing slips must accompany each shipment. (iii) Seller shall mark each package with the Order number, and where multiple packages comprise a single shipment, each package shall be shown on packing slips, bills of lading, and invoices. (iv) Seller shall pay all express and other charges necessary to speed delivery to enable Seller to meet the delivery schedule. Seller shall ship all late shipments by express or priority methods of delivery at its expense as requested by Buyer.

CHANGES. (a) Buyer may at any time in writing change the design (including drawings, materials and specification), processing, method of packing and shipping, and the place of delivery. (b) Seller shall not make any change in design, materials, processing, packing, shipping, or place of delivery without Buyer's written approval.

RISK OF LOSS AND TITLE. All shipments are at the risk of the Seller, regardless of the F.O.B. point, unless otherwise agreed to in writing signed by an authorized representative of Buyer. If risk of loss is assumed by Buyer in writing, all risk casualty insurance must be provided by Seller for the benefit of Buyer. Title shall remain with Seller until the earliest of payment for or receipt of the Goods by the Buyer at its plant. Risk of loss shall not be governed by transfer of title.

INSPECTION. Buyer at its option may reject and return at Seller's risk and expense, or retain and correct, product that fails to conform to the requirements of the PO even if the nonconformity does not become apparent until the manufacturing or processing stage. Seller will reimburse Buyer for all expenses resulting from rejection or correction.

SHIPPING AND PACKING. All product ordered shall be suitably packed and marked for shipping. Buyer shall not be charged for any packing, marking or boxing not separately itemized hereon. Seller shall be liable to Buyer for any loss or damage resulting from Seller's failure to provide adequate protection during shipment. Seller will reimburse Buyer for all expenses incurred by Buyer as a result of improper packing, marking, freight classification, routing or shipping.

INVOICES. Invoices are paid less cash discount on the face hereof. Taxes, if any, must be separately itemized. Date for calculation of payment due date and cash discounts shall be: (a) date product is received; (b) date PO scheduled delivery; or (c) date a proper invoice is received, whichever is later.

WARRANTY. Seller warrants to Buyer and its customers that all Goods shall be: (a) of merchantable quality; (b) free from all defects in design, workmanship and materials; (c) fit for the particular purposes for which they are purchased; (d) in strict compliance with the specifications, samples, drawings, designs or other requirements (including performance specifications) approved or adopted by Buyer. Seller further warrants that the prices to be charged

under this Order are the lowest prices charged by Seller for the Goods to other customers. ANY ATTEMPT BY SELLER TO LIMIT, DISCLAIM, OR RESTRICT ANY SUCH WARRANTIES OR ANY REMEDIES OF BUYER, BY ACKNOWLEDGEMENT OR OTHERWISE, IN ACCEPTING OR PERFORMING THE ORDER SHALL BE NULL, VOID AND INEFFECTIVE WITHOUT BUYERS WRITTEN CONSENT SIGNED BY BUYER'S VICE-PRESIDENT.

PROPRIETARY INFORMATION. All specifications, drawings, designs, know-how, trade secrets, customer lists, sales information, technical data, inventions or other proprietary information which are disclosed by Buyer to Seller, or which are developed by Buyer or Seller in connection with the subject matter of this PO, shall be the sole and exclusive property of Buyer and Seller agrees to retain all such proprietary information in confidence and not to disclose it to other parties. Seller agrees to disclose promptly to Buyer any proprietary information developed in connection with the subject matter of this PO and to transfer all right, title and interest in and to such proprietary information to Buyer, including any applications for Letter Patents or other registrations.

BUYER'S PROPERTY. Any material, tools and equipment furnished by Buyer on other than a charge basis in connection with the PO shall be deemed to be bailed to Seller for mutual benefit and title thereto and shall remain with Buyer. Seller shall be responsible for any loss or damage thereto and shall keep all materials, tools and equipment in which Buyer has an interest insured against risk of loss or damage, for their value at Seller's expense while they are in Seller's possession. Seller agrees to tag or stamp the Property as being the property of Buyer or as Buyer may otherwise direct. Seller will not alter the Property, and will not move the Property to another location, without the prior written consent of Buyer, except in the event of an emergency, in which case Seller will notify Buyer of the repair and/or movement of the property as soon as practicable. Seller will not release custody of the property to any third party without prior written consent of Buyer. Seller at its own expense shall furnish, keep in good condition, maintain, repair or replace when necessary all "tools" (tools, jigs, dies, gauges, fixtures, molds, and patterns) necessary design to produce the product covered by this PO. The cost of changes to the tools necessary to make design and specification change authorized buy Buyer shall be paid for by Buyer. Seller shall insure the tools with full fire and extended coverage insurance for the replacement value thereof and shall furnish Buyer with evidence thereof upon demand. Seller grants Buyer an irrevocable option to take possession of and title to the tools covered by this PO upon payment to Seller of the agreed PO price less any amounts which Buyer has previously paid to Seller for the cost of such tools, provided however, that this option shall not apply if such tools are used to produce product that is the standard stock of Seller. All drawings, sketches, (including any technical information and specifications), tools, supplies, materials, equipment and other items furnished by Buyer, either directly or indirectly, to Seller to perform this PO, or for which Seller has been reimbursed by Buyer, shall be and remain the property of Buyer. Seller shall bear the risk of loss of and damage to Buyer's property, Buyer's tools and product and any other property. Buyer's tools shall at all times be properly housed and maintained by Seller and shall not be used by Seller for any purpose other than the performance of this PO. Seller warrants to produce the required quantity of product specified in the PO for a period of the product model life and service product requirements. Additional costs for failure to meet the above warranty shall be at Seller's sole expense. Seller agrees to immediately return the Property to Buyer, or as Buyer may direct, on Buyer's demand and acknowledges that it has no title in the Property and will not encumber it in any manner whatsoever, and hereby waives any lien claims it may have in the Property. The Property shall be delivered to Buyer promptly and in accordance with Buyer's instructions, free and clear of any liens and without payment of any amount by Buyer. Seller acknowledges that its failure to return the Property to Buyer on demand will cause Buyer to sustain irreparable harm warranting immediate and injunctive relief, and further agrees that in the event of such failure, Seller will pay liquidated damages to Buyer in the amount of \$500,000 per day, plus all legal fees and costs associated with Buyer's enforcement of this Section and the recovery of the Property. Buyer shall have the right to enter into Seller's premises at all reasonable times to take possession of all tools and product and any other property of Buyer upon demand.

INDEMNITY, INSURANCE. Seller, its heirs, successors, assigns and legal representatives, shall forever protect, indemnify and save harmless Buyers, its subsidiaries and affiliated companies, their successors, assigns, customer and users of their products, against all damages, claims, suits at law or in equity, demands or losses of any kind arising out of, or alleged to have arisen out of, or in connection with, Seller's performance or lack of performance of this contract. This obligation shall include the cost arising out of or in connection with Buyer's voluntary or involuntary recall, recovery or withdrawal of products in compliance with any Federal, State or local laws, orders or regulations. Seller agrees to comply with Buyer's insurance conditions as received from time to time and submit evidence of such insurance. This insurance, at the present time, shall include but not be limited to comprehensive General Liability

including contractual and product liability. The certificates must specifically mention that contractual and product liability is provided and must contain a clause covering Seller's assumption of liability. Seller agrees to supply (if needed) automobile liability insurance including owned, non-owned and hired vehicles.

PATENTS, TRADEMARKS AND TRADENAMES. Seller agrees to indemnify and save harmless the buyer, its officers, agents, successors, assigns and customers against all damages, claims, demands, attorneys' fees and costs of any kind for actual or alleged infringement of any trade name, trademarks, copyright and patents (unless the products ordered are of Buyer's design) because of the manufacture, possession, date or used of any products specified herein.

SERVICE AND REPLACEMENT PRODUCT. Seller will sell to Buyer product necessary for it to fulfill its current model service and replacement product requirements at the price(s) set forth in the PO. If the product is systems or modules, Seller will sell the components or parts that comprise the system or module at price(s) that shall not, in the aggregate, exceed the price of the system or module less assembly costs. During the 15 year period after Buyer completes current model purchases, Seller will sell product to Buyer to fulfill Buyer's past model service and replacement product requirements. Unless otherwise agreed to by Buyer, the price(s) during the first 3 years of the 15 year period, shall be those in effect at the conclusion of current model purchases. For the remainder of the 15 year period, the price(s) for product shall be as agreed to by the Buyer and Seller.

DEFAULT. Seller shall be in default if Seller (1) fails to perform any obligations created by this Order within the time specified herein or any extension thereof, (2) breaches any warranty or representation contained herein; or (3) fails to make progress or exhibits other behavior or circumstances, as to make Buyer reasonably apprehensive about Seller's ability or willingness to perform its obligations under this Order. Upon such default, Seller shall indemnify Buyer from all damages and expenses (including but not limited to labor costs and attorney fees) incurred by Buyer in connection with Seller's default. To the extent deemed necessary in Buyer's sole discretion to protect Buyer's customer, Seller agrees that Buyer, its agents and employees are hereby authorized to enter into Seller's facility and use Seller's machinery, equipment, raw material purchased for this Order, and tooling to produce the Goods covered by this Order and to take possession of the Goods so produced. In addition to these remedies, Buyer expressly reserves those rights and remedies contained in the Uniform Commercial Code, as reflected in the statutes of the State of Michigan.

NONCONFORMING GOODS. If any of the Goods ordered are found at any time to be defective in material or workmanship, or otherwise not in conformity with the requirements and warranties contained in this Order, Buyer, in addition to such other rights and remedies as it may have under the Order or by law, at its option and sole discretion may: (1) reject and return such Goods at Seller's expense; or (2) require Seller to inspect the Goods and remove and replace nonconforming Good with Goods that conform to the Order. If Buyer elects option (2) above and Seller fails to promptly make the necessary inspection, removal and replacement, Buyer may at its option and Seller's cost, inspect and repair the Goods.

TERMINATION. (a) Buyer may terminate its purchase obligations in whole or in part at any time by a written notice of termination to Seller. Buyer shall have such right of termination notwithstanding the existence of an excusable delay as referenced above. (b) Unless Buyer terminates because of Seller's default, Buyer's obligation to Seller upon termination shall be limited to the purchase order price for finished work and completed services delivered to Buyer in accordance with the terms of this Order and that conform to the requirements of this Order. Buyer shall have no obligation to purchase or pay Seller for finished Goods not delivered, for work in process, or for raw materials purchased by Seller for the performance of the Order. In no event shall Buyer's obligations upon termination exceed those Buyer would have had to Seller in the absence of termination. (c) Seller shall furnish to Buyer, within one month after the date of termination, Seller's written termination claim, which shall consist exclusively of the terms of Buyer's obligation to Seller under the preceding subsection. Seller's failure to provide such termination claim to Buyer in accordance with the provisions of this Section shall relieve Buyer of any obligation to Seller under this Section. Buyer may audit Seller's records, before or subsequent to payment, to verify Seller's termination claim. (d) Buyer shall have no obligation to Seller if Buyer terminates its purchase obligations because of default by Seller.

TERMINATION FOR DEFAULT . Buyer shall have the unrestricted right to terminate this PO upon the happening of any one or more of the following Purchase Order breaching events or any other breach of this PO: (a) Seller's

insolvency or commission of an act of bankruptcy; (b) filing a voluntary or involuntary petition of bankruptcy by or against Seller; (c) appointment of a receiver for Seller by any court of competent jurisdiction; (d) Seller's failure to make deliveries of acceptable product at the prices specified on this Order within the time specified by this PO; or (e) Seller's failure to perform any other provisions of this PO. The acceptance of products or performance after the occurrence of any of the above enumerated events shall not effect the right of Buyer to terminate under this paragraph.

REMEDIES. The right and remedies reserved to Buyer in this PO shall be cumulative with, and additional to, all other or further remedies provided in law or equity. Without limiting the foregoing, should any product fail to conform to the warranties set forth in this PO, Buyer shall notify Seller and Seller shall, if requested by Buyer, reimburse Buyer for any incidental and consequential damages caused by such nonconforming product, including, but not limited to, costs, expenses, and losses incurred by Buyer; (a) in inspecting, sorting, repairing or replacing such nonconforming product; (b) resulting from production interruptions; (c) in conducting recall campaigns or other corrective service actions; and (d) from claims for personal injury (including death) or property damaged caused by such nonconforming product. Seller shall be liable for all costs, expenses and damages, whether direct, indirect, incidental, or consequential, arising from a breach of this PO. Any contrary provision in any of Seller's documents is hereby expressly objected to and rejected. Seller shall be liable to Buyer for all damages sustained by reason of the breach of this PO, which gave rise to the termination, including, but not limited to, any additional costs incurred by Buyer in procuring similar product and/or services from another source. Seller shall, if requested by Buyer, reimburse Buyer for any costs incurred by Buyer due to late delivery by Seller.

COMPLIANCE WITH THE LAW. Seller agrees that the product and/or service produced and/or rendered pursuant to this PO will be produced and/or rendered in accordance with all applicable Federal, State and local laws, orders and regulations as they may be issued and/or amended from time to time.

WAIVERS. Any waiver of strict compliance with the terms of this PO shall not be a waiver of Buyer's right to insist upon strict compliance with the terms of the PO thereafter, or any future PO.

PERFORMANCE BY SELLER. This PO is issued to Seller in reliance upon Seller's personal performance of the duties imposed, and by accepting same, Seller agrees not to assign this order or delegate the performance of its duties without consent in writing of Buyer. Any such assignment or delegation attempted without the previous written consent of Buyer shall effect, at the option of Buyer, a cancellation of all Buyer's obligations hereunder.

WORK ON BUYER'S PREMISES. If any work under this PO is to be performed on Buyer's premises Seller agrees to defend, indemnify and hold harmless Buyer from and against all claims, losses or damages due to injury or death to any persons, including Seller's agents, or employees, and damage to or the destruction of any property resulting from Seller's negligent acts or omissions incident to or arising out of such work. Seller shall maintain such Public Liability Property Damage and Workers Compensation insurance as will protect Buyer from said risks.

USE OF NAME TRADENAME AND TRADEMARKS. Unless authorized by Buyer in writing, the name of Buyer, its parent, subsidiaries and/or any affiliated corporations or any of their trademarks shall not be used by Seller. If the product specified within this PO is peculiar to Buyer's design either as an assembly or component part of any assembly, or if the product bears Buyer's trademark and /or identifying mark, it shall not bear the trademark or other designation of the Maker or Seller. Similar products peculiar to the Buyer's design or bearing its trademark or identifying mark shall not be sold or otherwise disposed of to anyone other than Buyer.

SET-OFF. Buyer shall be entitled at all times to set-off any amount owing at anytime from Seller to Buyer or any of its affiliated companies against any amount payable at any time by Buyer in connection with this PO.