# SUPPLIER QUALITY ASSURANCE MANUAL

ASMO

*ASMO group companies in NA*

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**Note: Copies of applicable auto industry manuals are available from AIAG (Automotive Industry Action Group) at (248) 358-3570.**

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## Introduction

### QUALITY POLICY

"WE ARE COMMITTED
TO QUALITY THAT EXCEEDS
CUSTOMER EXPECTATIONS
THROUGH CONTINUAL IMPROVEMENT AND TOTAL INVOLVEMENT"

### ENVIROMENTAL POLICY COMMITMENTS

AS PART OF THE ASMO group
ENVIRONMENTAL POLICY, WE ARE COMMITTED TO THE
FOLLOWING THREE KEY POINTS:

- POLUTION PREVENTION (RECYCLING)
- OBEY LAWS AND REGULATIONS
- CONTINUAL IMPROVEMENT

## Objectives

1. Provide exceptional quality products and support by striving to exceed our customer's expectations.
2. Maintain a formal quality & environmental system meeting all ISO/TS requirements.
3. Foster an atmosphere of continuous improvement and problem prevention.
4. Empower associates so that they can help improve the systems that affect their work.
5. Provide education and training to all associates to promote continuous improvement and to support their health, welfare, safety and job knowledge.
6. Communicate our objectives to all associates.
7. Develop relationships with our suppliers that emphasize continuous improvement in product quality, service and support.
8. Provide an environment that supports teamwork.

## Introduction

The policies and guidelines herein describe the supplier requirements of ASMO group.

ASMO group is certified ISO/TS 16949 and, as such, requires that all **production parts and raw material suppliers are certified to the latest edition of ISO9001.** Therefore, it is imperative that the supplier's internal quality system conform to those requirements.



ASMO group reserves the right to amend these requirements to comply with individual contract agreements.

## Contacts

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Battle Creek, MI 49015
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ASMO Greenville Of North Carolina, Inc.
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ASMO Mexico S.A. de C.V.
Rio Danubio 845
Parque Tecnoindustrial Castro del Rio
36810 Irapuato, GTO, Mexico

If you have any questions please call applicable plant listed above. Ask to speak with applicable group in which question is concerning.

Purchasing Manager
Senior Purchasing Specialist
Quality Manager
Production Control Manager
Supplier Quality Engineer

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# Advanced Quality Planning

## 1. Purpose

The Advance Quality Planning program defines the expectations and processes for product quality planning throughout the product life cycle.

## 2. Definitions

**(APQP) Advanced Product Quality Planning:** Is a joint Fiat-Chrysler, Ford and General Motors manual published by the Automotive Industry Action Group (AIAG) for the supplier community. It provides guidelines designed to produce a quality plan that will support the development of a product or service, which will satisfy the customer. Its intent is to standardize the reference manuals, procedures, reporting formats and nomenclature for the supply base.

## 3. Procedures

ASMO group requires that all production related suppliers have and adhere to an Advanced Product Quality Planning System.

This system must be consistent with the requirements as defined in the APQP manual.

Suppliers choosing other approaches must be able to show that their approach meets the intent of this manual.

## 4. References

AIAG ISO/TS 16949 Requirements Manual
AIAG Advanced Product Quality Planning and Control Plan Manual

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# Notification of Quality Assurance Requirements (NQAR)

## 1. Purpose

To notify a supplier about quality assurance requirements that are needed for new products or on engineering change (design/process change) of an existing product, as per ASMO group standards.
NQAR will be issued by ASMO group, after drawing release and prior to shipment of the initial samples. Unless parts/materials are similar and have the same requirements, one NQAR will be issued per part number.

## 2. Responsibilities

The ASMO group Quality Department will issue an NQAR to the Supplier through Purchasing for new products or for any change of an existing product, indicating the due dates for each requirement.

## 3. Instructions

When the supplier receives the NQAR, each requirement should be reviewed thoroughly to determine if the requirements are feasible.
If required, a process audit will be performed prior to mass production by ASMO group at the supplier's location (ISO / TS16949 Compliance).
If the supplier has any comments, proposals, questions, or concerns about the requirement, the supplier should contact ASMO group Quality Department as soon as possible. PPAP submission shall comply in time with the NQAR. Refer to the AIAG Production Part Approval Process (PPAP) Manual. PPAP refers to the following AIAG reference manuals: **Advanced Product Quality Planning & Control Plan, Potential Failure Modes and Effects Analysis, Measurement System Analysis, and Statistical Process Control.**

## 4. Applicable Forms

ANC – Notification of Quality Assurance Requirements (QF-078)
AMI – Notification of Quality Assurance Requirements (QF-87)
GNC - Notification of Quality Assurance Requirements (QF-G292)

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# Production Part Approval Process

## 1. Purpose

The Production Part Approval Process defines the expectations and processes for production parts and/or raw material submission to ASMO group and is intended to eliminate or reduce risk on new products, change in product and process.
The supplier is responsible to obtain PPAP approval prior to delivering mass production parts/quantities and submitting annual layouts.

## 2. Definitions

(PPAP) Production Part Approval Process

## 3. Procedures

ASMO group requires all production-related suppliers to have and adhere to a Production Part Approval Process.

- Submission must be consistent with the requirements as defined in the AIAG PPAP manual.
- ASMO group will issue a Notification of Quality Assurance Requirements. The purpose of this form is to define critical control items and process approval requirements.
- ASMO group must approve the supplier's PPAP package prior to initial shipment unless written authorization is granted giving interim approval.
- The sample parts sent by the supplier shall be identified with the PPAP Sample tag.
- Trial sample parts shall be identified with a Classification Control Slip using orange paper unless otherwise specified.
- Initial mass production shipment shall be identified with a Classification Control Slip. Using green paper at the time of the 1st mass production shipment.
- When required in the NQAR, a Process Sign-Off (PSO) will be conducted at the supplier's facility. Please refer to the Fiat/Chrysler PSO Manual or other process certification documents based on customer requirements.
- **Annual layouts are required and should be retained at the suppliers' location, available upon request. The layout should include items from original PPAP unless otherwise specified.**

## Production Approval Process

- ASMO group designates the items in the table on the NQAR (Notification of Quality Assurance Requirements) form as critical control items that should be controlled in the supplier's process. The supplier should develop Inspections Standards and Process Control Instructions to give special attention to these items **in addition to any items critical to the supplier's process.**

- **Controlled Items Table.**
- **Cpk.** Perform a Capability Study and include it into the PPAP.
- **SPC.** This characteristic shall be controlled using Statistical Process Control Charts.
- **Check Item.** The characteristics shall be checked by the supplier. SPC is not a requirement.
- **Submit Data Freq.** Submit the inspection data in the frequency indicated in the table to ASMO North America, LLC. Quality Department, if it is a Cpk requirement, the Cpk index is enough.

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### 4. References

AIAG ISO/TS 16949 Requirements Manual
AIAG Production Part Approval Process Manual

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### 5. Applicable Forms

ANC - Initial Sample Tag, QF-096
NQAR Form, QF-078
Classification Control Slip, QF-216
AMI – Initial Sample Tag, QF-366
NQAR Form, QF-87
Classification Control Slip, QF-364
GNC – PPAP Sample Tag, QF-G613
Classification Control Slip, QA-903
NQAR Form, QF-G292

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# Process Capability Study

## 1. Definition

Process Capability Study is a statistical analysis of the output from a machine or a process to determine its capability. This analysis is especially important when a new product is introduced so product quality and variation reduction can be assessed.

ASMO group requires all production related suppliers to provide Process Capability Study of Designated Control Characteristics for new parts or existing mass production parts, if needed.

Designated Control Characteristics are part characteristics that significantly affect performance, fit, function of the part or assembly and therefore require application of statistical measures for capability assessment and control. All Designated Control Characteristics will be noted in the NQAR form (SQA-004).

## 2. Procedures

Supplier must submit a **short-term** process capability study of each Designated Control Characteristics as mentioned in the NQAR, to ASMO group, QC dept, along with the PPAP submission. Please refer to Table 1 for specific requirements.

After PPAP is approved and once mass production began, Supplier must conduct a **long-term** process capability study of each Designated Control Characteristics as mentioned in the NQAR. This is to validate the ability of the process to satisfy customer requirements over long period of time with many possible source of variation included - i.e., to quantify process performance. The result of this study should be made available to ASMO group, QC dept, upon request. Please refer to Table 1 for specific requirements. For long-term capability study, subgroups should be collected often enough and at appropriate times, that they can reflect the potential opportunities for change. Such potential causes for change could be but not limited to work shift changes, material lot change etc.

**Table 1: Process Capability Study Requirements**

| | SHORT TERM | LONG TERM |
|---|---|---|
| No of Subgroups* | 20 min per line/tool/cavity | 25 min per line/tool/cavity |
| Size of Subgroup | 4 minimum | 5 |
| Requirements* | X bar & R chart, Normal Distribution Plot, Cp &Cpk, Pp & Ppk | X bar & R chart, Individual and moving range chart (X-MR), Normal Probability Plot, Normal Distribution Plot, Cp & Cpk, Pp & Ppk. |
| Expectation | Stable process**<br>Cpk & Ppk of 1.67 or more | Stable process**<br>Cpk & Ppk of 1.33 or more |
| If Expectation is not achieved | Review the process to determine root cause *** | Refer to Table 2. |

* or as negotiated with ASMO group, QC Dept.
** Per AIAG supplemental document "Statistical Process Control"
*** ASMO QC Dept, reserves the right to reject PPAP approval or incoming parts if process is not stable.

**Table 2: Long Term Process Capability Action Items**

| Process is | Cpk or Ppk <1.33 | Cpk or Ppk =>1.33 |
|---|---|---|
| Stable | Contact ASMO, QC Dept to discuss appropriate C/M | Accept product and continue to reduce process variation. |
| Unstable(Trend or Non Random Patterns) | Contact ASMO , QC Dept, to discuss appropriate C/M. Perform sampling inspection (Refer to Table3) | Contact ASMO, QA Dept, to discuss appropriate C/M. |
| Unstable (Special cause)* | Contact ASMO, QC Dept, to discuss appropriate C/M. 100% inspection of parts. | Contact ASMO, QC Dept, to discuss appropriate C/M. 100% inspection of parts. |

* ASMOgroup QC, Dept, reserves the right to reject incoming parts if the process is not stable

**Table 3: Sampling Size Determination**

| Lot Size Or Quantity Per Box | Quantity to be Inspected * |
| --- | --- |
| 0-100 | 100% Inspection |
| 100-300 | 75% Inspection |
| 300-600 | 60% Inspection |
| 600 and above | 50% Inspection |

*If one or more parts found during Inspection is out of specification, then 100% inspection of all parts.

## 3. References

AIAG Statistical Process Control SPC

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# Product Safety and Liability

## 1. Purpose

To define the product safety and liability process and expectations for products and materials supplied to ASMO group.

## 2. Procedures

All production related parts, materials and services sold to ASMO group must satisfy current governmental and safety constraints on restricted toxic and hazardous materials, as well as environmental, electrical and electromagnetic considerations.

This requirement is listed on all Purchase Orders issued by ASMO group. By accepting the purchase order, suppliers are also agreeing to comply with this requirement. Suppliers will be liable for any noncompliance.

## 3. References

AIAG ISO/TS 16949 Requirements Manual

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# Process Change Control

## 1. Purpose

The Process Change Control program defines the expectations and processes involved in supplier requested process changes. This procedure is intended to reduce risk and protect the customer from receiving product from unapproved process.

## 2. Definitions

**Process Change:**
Process Change refers to changing the five M's and one E (Machinery, Materials, Man, Method, Measurement, and Environment) constituting the manufacturing process, (Including changing the process layout, transferring a process, and changing the inspection scheme). When a process change is to be made, the supplier (the person in charge) needs to decide on the scope of the change after giving due consideration to possible effects on product quality and the results of past process changes.

**If the supplier is unsure if a Process Change is required for a particular change to their existing product or not, they need to contact ASMO, Purchasing Department.**

## 3. Procedures

ASMO group requires all production-related suppliers to have and adhere to a Process Change Control Procedure. This system must be consistent with the requirements as defined in the ISO/TS 16949 Quality Management Systems Manual, and the Production Part Approval Process Manual regardless of the submission level required by ASMO group. Suppliers choosing other approaches must be able to show that their approach meets the intent of the current revision of the TS Quality System Requirements Manual and the Production Part Approval Process Manual.

# Process Change Control

## 3. Procedures (continued)

ASMO group reserves the right to refuse receipt and payment for any supplier shipment which has not received prior approval of supplier requested Process Change by ASMO group management of; Purchasing, Quality, Manufacturing and Engineering. If a safety stock (bank) of product must be built, the supplier must consider that process change may require approval by the OEM and may take several months to obtain. This approval must be in writing.

## 4. Supplier Process Change Request QF-158

### A. When A Process Change Notice Is Required

ASMO group should be notified without fail of changes to the process which have the potential to affect product quality. Refer to the current AIAG PPAP Manual for guidelines on when customer notification is required/not required.
Note: The PPAP Manual is a guide only. Contact ASMO group Quality Department if there is a question regarding whether or not a Process Change Notice is required.

### B. Process Change Notification

Process Change Request should be submitted on QF-158 with attached implementation plan at least 8 weeks prior to the proposed change implementation. Submit the original to ASMO group, Purchasing Department.

### C. What ASMO will do when the notification is submitted.

The Quality Department will review the submitted "Process Change Request." Once a decision has been reached, the supplier will be notified via the completed form along with the necessary requirements for approval.

### D. Control of Products From A Changed Process

Strict conformance to the First-In-First-Out scheme when handling and delivering products from a changed process. Once a product from a changed process has been delivered to ASMO, no product before the change may be delivered.

### E. Precaution for Changing Manufacturing Processes

When manufacturing processes are to be changed, pay attention to the following for complete control of the change in order to prevent troubles:

- Make certain that the purpose and effect of the change have been checked.
- Make certain that the effect of the change has been checked for all items.
- Make certain that disadvantages of the change, as well as, advantages of it have been considered.
- Check that there are not other quality characteristics and parts that may be influenced by the change.
- Check that there are not other influences on the functions and geometry of the product involved.
- Make certain that the safety and reliability of products from the changed process have checked out satisfactorily.
- Check there are no problems with the arrangement of the changed process.
- Check that there are no machining problems.
- Check that the time of conversion to the changed process is definite and that the products have been surely switched from old to new.
- Check that a method of initial product inspection has been established.
- Check that initial sample inspection has been performed and that the initial products have passed this inspection.
- Check that arrangements have been made for work standards, equipment, dies, jigs, and tools.
- Check that the workers have been educated and trained.
- Check that materials, parts, drawings, work standards, dies, jigs, tools, etc. for the old process have been withdrawn and disposed of.

## 5. References

AIAG ISO/TS 16949 Quality Management Systems Manual
AIAG Production Part Approval Process Manual

## 6. Applicable Forms

**ANC -** Supplier Process Change Request, QF-158
Classification Control Slip, QF-216 (See SQA-006)
GNC – Supplier Process Change Request, (QA-814)
Classification Control Slip, (QA-903)
AMI – Supplier Process Change Request, (QF-390)
Classification Control Slip, (QF-364)

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# Design Change Control

## 1. Purpose

To notify and obtain authorization from ASMO group about any design change that is needed for existing product material supplied to ASMO group.
Design change is approved only when the change does not affect the product safety, quality, function, or performance in a negative way.
This procedure is intended to reduce risk and protect the customer from receiving product from an unapproved process.

## 2. Definition

The Design Change Control procedure defines the expectations required of suppliers of production parts and/or raw material supplied to ASMO group.

Design Change refers to changes in dimension or tolerance specified in the drawing, changes in visual appearance of the part or product, changes in material, performance testing procedure or requirements.

If the supplier is unsure if a Design Change is required for a particular change to their existing product or not, they need to contact Asmo Purchasing Dept.

## 3. Procedure

Supplier is required to fill out and submit a Design Change Form, with appropriate information of the design change request to Asmo Purchasing Dept. at least four months prior to the concerned design change.

Once the Engineering form is received by Asmo Purchasing Dept, it will be routed for approval per Asmo designated procedures. The design change request may be rejected by anyone along the routing provided it is for due cause.

Once a decision has been reached, the supplier will be notified in writing on the decision of the request. If the design change request is approved, the supplier will be issued a Notification of Quality Assurance Requirements and a revised drawing by ASMO group Purchasing Dept. to determine PPAP requirements.

## Design Change Control

The Design Change approval must be obtained by the supplier before shipment of design changed parts or products.
Strict conformance to the First-In-First-Out scheme when handling and delivering design change parts or products must be maintained. **Supplier is expected to use proper tag to identify the design change parts.** Once a product or parts with new design has been delivered to ASMO, no product before the change may be delivered.

**Note: ASMO group. reserves the right to refuse receipt and payment for any supplier shipment which has not received prior approval of supplier requested Design Change by ASMO group. The supplier must consider that Design Changes may require approval by the OEM and may take several months to obtain. It is the supplier responsibility if necessary, to build enough safety stock (bank) of product to support the time required. This approval must be in writing.**

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### 4. References

TS-16949 Quality System Requirements Manual

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### 5. Applicable Forms

ANC - Engineering Change Form (QF-076)
Classification Control Slip (QF-216)
AMI - Engineering Change Form (QF-203)
Classification Control Slip (QF-364)
GNC - Engineering Change Form (QF-G605)
Classification Control Slip (QA-903)

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# Measurement Control

## 1. Purpose

The Measurement Control Procedure defines the expectations and processes involved to ensure the function and accuracy of the measuring instruments utilized in test evaluation.

## 2. Definitions

**Measurement System:** The collection of operations, procedures, gages, and other equipment, software, and personnel used to assign a number to the characteristic being measured; the complete process used to obtain measurements.

## 3. Procedures

ASMO group requires all production related suppliers to have and adhere to documented measurement control standards and provide control of measuring instruments accordingly. (e.g. Gage R&R, Linearity, Stability, Bias).

This system must satisfy the requirements as defined in the AIAG ISO/TS Quality Management Systems Manual (Clause 8 Measurement, analysis and improvement).

## 4. References

AIAG Measurement System Analysis MSA
AIAG ISO/TS Quality Management Systems Manual

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# Corrective and Preventive Action

## 1. Purpose

The Corrective and Preventive Action procedure defines the expectations and processes involved in documenting a corrective and preventive action process to contain and eliminate product defects.

## 2. Procedures

ASMO group requires all production related suppliers to have and adhere to a documented corrective and preventive action process to contain and eliminate product defects. This system must be consistent with the requirements as defined in the ISO/TS Quality Management Systems Manual (Clause 8 Measurement, analysis and improvement).

### 2.1 Notification and Containment of Nonconforming Material

ASMO group expectation is all supplied material be 100% conforming to requirements. When defective material is discovered, the supplier will be notified immediately and is required to initiate a corrective action process to contain the problem and prevent reoccurrence. The supplier is responsible for containment of all suspect material (this includes material at ASMO group, Supplier's location, and material in transit). Containment Plan should be submitted to ASMO group within 24 hours of defect notification. The containment plan must include a list of each action required to contain suspect material and must be kept in place until permanent corrective action is implemented and verified to be effective. Disposition should be determined within 24 hours. Options shall include the following:

1. Return nonconforming product to supplier
2. Supplier to sort nonconforming product at ASMO group. Sorting/Replacement Authorization Form must be completed and returned within 2 hours.
3. Supplier to provide certified stock
4. Provide deviation

The supplier is subject to ASMO admin fees, down time fees, ASMO labor fees and defect part fees that are incurred during the disposition processing of defect material. The fee rate is based on ASMO standard cost and can be obtained by contacting the ASMO purchasing department. Third party sorts are to be paid directly to the approved sorting company which must be identified on ASMO purchasing approved supplier list. The supplier is also responsible for maintaining normal production activity at the customer and/or ASMO group in cooperation with the Incoming Inspection Department.

# Corrective and Preventive Action

## 2.2 Corrective Action Reports

1. Problem Description:
   In your own words, what is the problem?

2. Containment/Interim Action:
   **Must be responded to within 24 hours on ANC format.**
   Supplier is responsible for all product at all locations.
   What action will the supplier take with parts at ASMO?
   What action will the supplier take with parts at ASMO's customer? (If required by ANC)
   Are there parts in transit anywhere in the system?
   Are there parts currently being run at the supplier?
   If sorting was part of the containment, what were the results of the sorting at all locations?
   When will ANC receive certified product and what is the lot number?
   How were the parts certified? (anything less than 100% sort should be approved by the customer)
   **Containment should be kept in place until permanent corrective action is in place and verified to be effective.**

3. Root Cause Analysis:
   There are two areas to address:
   Making cause: Why was the defect made?
   Shipping cause: Why was the defect allowed to get past the suppliers' system?
   Define root cause using 5 why, fishbone charts or other tools.
   **Can you recreate the problem?**

4. Permanent Corrective Action:
   There are two areas to address:
   Making countermeasure: What corrective actions were put in place to eliminate the possibility of making more defects of same type?
   If tooling changes were made, does this require a PPAP submittal to customer?
   Shipping countermeasure: What corrective actions were put in place to address why defects made it through the suppliers' system and made it to the customer? Was mistake proofing implemented? If yes, please explain.
   **All actions must be complete before the report can be closed.**

5. Verification:
How is the supplier going to verify the permanent corrective actions are effective?
This should include verifying tooling corrections by PPAP and spc if applicable, and testing of suppliers system to ensure the defect cannot reoccur in the production process.
Typically this includes increased in process and/or final inspection for a sufficient period of time to insure corrective action is effective.

**Until all permanent corrective actions are verified to be effective, the supplier should keep containment plans in place.**

**"If no additional defects are found at the customer, the countermeasures will be deemed to be effective" is not acceptable.**

6. Control:
How to ensure the corrective actions will stay in place?
The use of internal audits to ensure the corrective actions are being followed, the use of spc, control charts etc, the addition of in process checks are examples.

7. Prevention:
The PFMEA should be updated.
Do the corrective actions require changes to the Control Plan, Flow Diagram, or Work Instructions?
(If changes to any of these, provide copies to ANC)
Impact to other areas? If yes, please explain

**If a recurrence of the defect occurs, the supplier should return to Root Cause Analysis and reinvestigate.**

Notes:

1) The report will not be considered complete unless all areas are addressed in ASMO group format.
2) All action items must identify responsible party and target completion date. If target dates are not met, supplier must notify ASMO group.
3) ASMO group must be notified prior to due date if extension date is needed.
4) This report can also be used for investigation requests (noted at the top of the form). Investigation requests do not penalize the supplier in the rating system.
5) Corrective Action reports can be communicated electronically or via hardcopy.
6) If countermeasures require design, process or tooling changes, Production Part Approval Process (PPAP) submission is required.

### 3. References

AIAG ISO/TS Quality Management Systems Manual

### 4. Applicable Forms

**ANC, AMI & GNC**
Defect-Corrective Action Report, QF-005A
Sorting-Replacement Authorization Form, QF-277

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# Deviation Request

## 1. Purpose

The Deviations Procedure defines the expectations and processes for all parts and/or raw material supplied to ASMO group.

## 2. Definitions

Deviations: A process to allow evaluation of non-conforming material to determine appropriation of specifications and assign print and/or process correction.

## 3. Procedures

ASMO group requires all production-related suppliers to meet the Deviation Procedure as follows.

Deviation request and form (can be hard copy or electronic) will be initiated and filled by the supplier as per the following criteria:

a) Parts/materials which when incorporated into the product are deemed to affect product performance durability and installation in customer application and which therefore require rework and adjustments. (Testing and evaluation required.)
b) Parts/materials which when incorporated into the product are deemed to affect product performance, durability and installation in customer application, however can be used as is without requiring rework or special adjustment. (Testing and evaluation required.)
c) Parts/materials which are unacceptable per relevant inspection standards, but which when incorporated into the product, are deemed not to affect product performance, durability, and installation in customer application. (Testing and evaluation required.)

## Deviation Request

Deviations are never permitted for critical to quality characteristics (CTQ's) or customers designated items such as shield, diamond, etc.

Deviations are permitted for the specified parts/materials and for a specified quantity or designated period of time. The supplier is required to develop & maintain a documented procedure to control deviated quantities and/or time periods.

Supplier will submit a deviation form to the ASMO group Quality Department will assign it a tracking number and submit for approval.

Suppliers will provide any/all testing and/or inspection data to support their request for approval of the deviation. Further testing may be necessary at ASMO group before the deviation can be approved. Suppliers will be responsible for any and all test expense incurred due to a requested deviation. It is the supplier's responsibility to ensure production requirements are met until the deviation is approved. The supplier will take appropriate action to identify and correct the cause of the discrepancies and document the corrective actions (repair schedules if applicable) along with date implemented.

The Quality Department will route the deviation for approval as per ASMO group designated procedures. The deviation request may be rejected by anyone along the routing provided it is for due cause. Deviation approval must be obtained before shipment of nonconforming product.

All deviated parts must be identified with a Classification Control Slip.

PPAP submission may be required depending on the nature of the nonconformity and action required to correct it. The supplier will be notified of action required when the deviation is being processed.

### 4. References

AIAG ISO/TS 16949 Quality Management Systems Manual

### 5. Applicable Forms

ANC - Deviation Sheet QF-091A & B
AMI – Deviation Sheet QF-400
GNC – Deviation Sheet QA-902

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# Product Identification and Traceability

## 1. Purpose

The Product Identification and Traceability procedure defines expectations for supplier control of product identification and traceability.

## 2. Procedures

ASMO group requires all production related suppliers to have and adhere to a documented system for product/material identification from receipt and during all stages of production, delivery and installation. The system must provide provisions for the identification of individual product or batches. Production parts and/or raw material supplied to ASMO group must contain the following information:

- ASMO group Part Number
- Part Description
- Lot Number
- Quantity
- Date
- Product status as required by Certified Product Status Sheet

Notes (if applicable):

1) If a pallet contains more than one lot number, a listing of all lot numbers contained on the pallet must be supplied with the shipment.
2) The parts should be identified with an "X" on the shipping label. If the part is placed on a certified status, the product should be identified with a "C" on the shipping label.

## 3. References

AIAG ISO/TS 16949 Quality Management Systems Manual

## 4. Applicable Forms

ANC - Certified Product Status Sheet, QF-226
GNC – Certified Product Status Sheet, QF-G573
AMI – Not Applicable

# Supplier Evaluation

## 1. Purpose

The Supplier Evaluation procedure defines the expectations and processes involved in evaluating all production related suppliers.

## 2. Procedures

**Suppliers must maintain a minimum score as shown in continuous improvement**

| | |
|---|---|
| Qualified Suppliers | Raw material and production parts suppliers from which ASMO group Purchases repetitively, as evidenced by the issuance of monthly production purchase orders. If purchases are made through a trading company, the trading company is listed as the supplier. |
| Non-Qualified Suppliers | Sub-material, packaging, MRO parts, office supply and plant supply suppliers |
| Evaluation Period | Annual 12 month continuous period |
| Award Ceremony | Event held as determined by management (either at ASMO or the supplier's facility) to recognize those suppliers whose performance meets acceptable standards. |
| Award Determination | Awards are determined by the Purchasing Manager's recommendation along with top management approval. |
| Point Assignment | (Total Points = 100) Weighted as follows:<br>Quality Control = 40, Production Control = 40, Purchasing = 20 |

## Points Breakdown: (Total 100 points)

| Department | Calculated Points | Subjective Points | Total Points |
|---|---|---|---|
| **Quality Control** | **20** | **20** | **40** |
| **Production Control / Logistics** | **20** | **5** | **40** |
| | **15** | **0** | |
| **Purchasing** | **10** | **10** | **20** |

The Purchasing Department will evaluate and calculate the total number of points based upon the input and documentation from each department.

# Information/Documentation Used in Calculation:

| Quality Control Department | Production Control Department | Purchasing Department |
|---|---|---|
| Supplier Evaluation Sheet | Supplier Evaluation Sheet, Supplier Rating Worksheet | Supplier Evaluation Sheet |
| Defects Correction Action Reports (DCAR) | Receiving Discrepancy Report | Past Due DCAR record |
| Returned material to Supplier | Delivery Change Request Forms | Cost Competitiveness Evaluation |

## Supplier Evaluation

# Breakdown of Evaluation Activity:

| Approximate Time (Period of each month) | Activity |
|---|---|
| 5th – 7th of each month | Purchasing receives input documentation from Quality and Production Control |
| 5th – 10th of each month | Purchasing calculates results for each qualified supplier |
| 10th – 15th of each month | Purchasing generates report for each supplier and circulates for approval |
| 15th – 20th of each month | Reports are mailed to each supplier detailing results for the previous month. |

# Points Breakdown:

Quality: 20 Calculated Points + 20 Subjective points =40 Available Points

# Calculated Points:

Parts Suppliers-20 Available Points Based on Monthly PPM Level

**Formula Used For PPM Calculation:**
**PPM = Quantity of Defective Parts ÷Quantity Shipped X 1,000,000**

| Supplier PPM | Points Deducted |
|---|---|
| 0 | 0 |
| 0 ~ 10 | -1 |
| 11 ~ 25 | -3 |
| 26 ~ 50 | -5 |
| 51 ~ 75 | -7 |
| 76 ~ 100 | -9 |
| 101 ~150 | -12 |
| 151 ~ 200 | -14 |
| 201 ~ 250 | -17 |
| 251 & Up | -20 |

**Note: Quantity of defective parts will consist of defective parts that are discovered in ASMO's system (i.e. receiving inspection, processing, ASMO customer defect). Defective parts found during a sort by the supplier, either at ASMO or at the supplier's facility will not be counted against PPM.**

## Supplier Evaluation

# Subjective Points: 20 Available Points

| Quality Issue | Points Deducted |
|---|---|
| **No Issues** | **0** |
| **1 DCAR Issued For The Month** | **-5** |
| **2 DCAR's Issued For The Month** | **-10** |
| **3 Or More DCAR's Issued For The Month** | **-20** |
| **Defect Reoccurrence** | **-10** |
| **Late, Inadequate DCAR Response** | **-5** |
| **No Response To DCAR** | **-20** |
| **Customer Claim / Field Returns** | **-20** |
| **Critical Defect** | **-4** |
| **ASMO Required To Sort/Repair** | **-20** |
| **Failure To Comply With Data Submission Requirements** | **-5** |
| **Incomplete Or Late PPAP's** | **-10** |
| **Customer Disruption** | **-20** |
| **Special Status Related To Customer Notifications** | **-20** |

## Supplier Evaluation

# Points Breakdown:

## PRODUCTION CONTROL

**I. PURPOSE:**

To provide procedures for conducting supplier performance evaluations for Production Control.

**Mission Statement:**
***Our mission is to provide total responsiveness to our customers by offering the highest quality, lowest total cost, integrated design supply chain and manufacturing solutions through long term partnerships based on integrity and ethical business practices.***

***These goals will be achieved by enabling teamwork through communication sharing, education and proper training, providing the safest working environment, always leading the market in technology advances, maintaining community respect, and having accountability and ownership by all.***

***We will dedicate ourselves to maintain continuous improvement and customer satisfaction through sincerity, trust, cooperation, and creativity which is built on employee involvement***

**II. SCOPE:**

This procedure applies to all ***domestic*** suppliers.

**III. GENERAL:**

It is critical to the competitive position of ASMO group that suppliers provide components of the highest quality at the lowest total costs. In addition to the inconvenience and administrative costs resulting from poor quality or improper delivery, such faulty supplier performance may result in loss of business or loss of customers. It is, therefore, essential that supplier performance be measured on a continual basis and that the placement of orders with any supplier must be contingent on superior performance.

**IV. RESPONSIBILITY:**

- Production Control
- Materials Control

It will be the responsibility of the Production Control Department to track each supplier as it relates to Production Control issues. Production Control will review the past months supplier activity by analyzing data from Production Control and Materials Control. This process should be completed the first week of the next month

# Supplier Evaluation

**V. CONTENT:**

- **Complete Order Delivery** – This is from the original order point through a back order release. It is the responsibility of Production Control to review completely this process and review the Delivery Change Request Forms that are submitted by our suppliers. Suppliers who habitually ship incomplete orders or delay deliveries on a continuous basis should be referred to Purchasing for potential corrective action or replacement plan for their chronic occurrences. Production Control will issue a Production Control Memorandum to Purchasing reflecting in detail our concerns and issues related to the suppliers inefficiencies.

- **NAIL Run Suppliers** – This program is developed with specific delivery window times. There should be a "Zero Tolerance" as far as days late or early for suppliers. Being outside the hourly delivery window can be accepted without penalty.

- **Delivery Points Formula** – This is an explanation on how to properly allocated points for late and early deliveries. There is a total of twenty (20) points possible for this portion of the Supplier Evaluation.

  - The following is a summary of the point deductions for delivery related issues

    - One Day Early = Minus 0.25 Points Each
    - Two Days Early = Minus 0.50 Points Each
    - Any earlier than two days = Minus 1.0 Points for each day.
    - Late Deliveries = Minus 2.0 Points each day late

  - Deficient Lots (shipments) are classified, as any lot that did not meet ASMO group required delivery date.

    A = Number of Lots (shipments) received each month
    B = Number of Deficient Lots (shipments) received each month
    C = Deduction Scale based on the delivery window calendar.

    Each shipment is assigned one (1) point of value.

**Formula:** ⟶ $\frac{A - (B \times C)}{A}$ x 20 Possible Points

Example of Formula = 30 Shipments (different release numbers) ordered for the month
8 shipments are deficient
One day late = 2.0
One day early = 0.25
2.25-point deduction

$\frac{A(30) - (B(8) \times C(2.25)}{A(30)} = \frac{30 - 18}{30} = \frac{12}{30} =$ 0.4 x 20 = 8 points out of 20 possible points

  - These calculated points can be deducted if other sections of this QSI are not followed accordingly.

# Supplier Evaluation

- **Production Control Documented Points Scale:** There are five (5) possible points for communication, information sharing, professionalism and courtesy.

  1 Point = Communicates thoroughly any potential problems or concerns.
  1 Point = Promptly responds to rejected components and deals with complaints expediously.
  1 Point = Delivers on time without constant follow up by ASMO Production Control.
  1 Point = Supports and cooperates with ASMO on all expedited requests.
  1 Point = Maintains backorders and delivery problems to a minimum.

- **Delivery Change Request Form or Email** – At the point the supplier realizes that they cannot meet a specific supplier schedule, they are required to complete a Delivery Change Request Form or email. **This is in accordance to the QSI-0130-007.** Prompt communication is expected of all our suppliers for best results. After properly completing and submitting the Delivery Change Request Form or email, Production Control will review for approval. If the Production Control Specialists do not accept the Delivery Change Request (DCR) or email they will communicate back to the supplier via fax, email or phone of an unaccepted scenario. It will be the responsibility of the Production Control Specialist to ensure each supplier has the most current revision of the Delivery Change Request Form.

  - Failure to complete & submit a Delivery Change Request Form or email will result in automatic point deductions for each offense
    - **1st Offense =** 5 Point Deduction
    - **2nd Offense =** 10 Point Deduction
      **3rd Offense=** 25 Point Deduction

- **Normal Delivery Days** – Monday through Friday is considered a normal delivery day. How to handle Saturday, Sunday or holiday deliveries as to the suppliers' delivery rating. There will be a direct deduction for deliveries on these specified days if a QF-72 or email has not been completed and the Production Control Specialists did not pre-approve such a delivery. If additional costs or premium freight are associated with these expedites, these charges will be formulated and debited back to the supplier. An example of additional costs is labor, overtime, materials, etc.

  - Failure to effectively communicate with the Production Control Specialist will result in an additional automatic point deductions for each offense
    - **Saturdays** = 5 Point Deduction
    - **Sundays** = 10 Point Deduction
    - **Holidays** = 15 Point Deduction
    - **Premium Freight =** Up to 15 Point Pending Production Disruption

- **Supplier Dock Audits** - The Logistics Associate will conduct weekly audits of our supplier's product to verify accuracy in the quantities in the box against what is stated on the packing list. This person will inform all necessary departments when an error has been identified.

## VI. Supplier Evaluation Report Method

- Receiving Discrepancy Report (RDR) is a system utilized by Logistics to document and notify suppliers of unauthorized deviations to our delivery expectations. This work instruction makes clear the reasons and methods for documenting discrepancies as well as establishing guidelines for rating suppliers.

- A Logistics associate will be required to fill out a RDR (QF-266) for each unauthorized supplier deviation related to but not limited to the following three categories.

| Packing List Documentation | Supplier Packaging | Supplier Labeling |
|---|---|---|
| ○ No Packing List<br>○ Incorrect Packing List<br>○ Incorrect Quantity<br>○ Incorrect Contract<br>○ Incorrect Release | ○ Incorrect Packaging<br>○ Mixed Parts<br>○ Damage | ○ No Part Number<br>○ Incorrect Part Number<br>○ No Certification<br>○ Incorrect Certification |
| **5 Points Per Deviation** | **5 Points Per Deviation** | **5 Points Per Deviation** |

- After the Logistics Department completes the RDR it is faxed to the Production Control Department for their review. Production Control will notify the supplier of the deviation.

  1. Original – Fax to the appropriate Production Control Specialist.
  2. Copy – Attach to the material awaiting disposition in the warehouse.
  3. Production Control should investigate the findings and fill out the "Production Control Section" of the RDR with complete instructions for resolving the discrepancy. This process should be completed within 24 hours of receiving the RDR.
  4. Associate who originated the RDR will be responsible for following up on and answering specified.

- Suppliers will begin each month with 15 Receiving Points. Supplier receiving performance will be evaluated and points deducted based on the three RDR categories by the Logistics Department.

Production Control will calculate the point ratings of each supplier. This rating will be primarily derived from the past months delivery status, RDR'S, expedites, special deliveries, delivery change requests, documented points, and supplier dock audits.

## Supplier Evaluation

### Points Breakdown:

### Purchasing: Total available 20 pts

**The points awarded/deducted deal with service to ASMO and are based upon the following:**

**1) <u>Technical Support</u>**
**Company or salesperson shows leadership in working with ASMO group to evaluate and create new ideas within our program or process, as well as evaluate current situation. Follow up with corrective action or data when necessary. (5)**

**2) <u>Cost Reduction and Value Analysis</u>**
**Shows leadership in attempting to evaluate and create ideas that may benefit ASMO group program may be short or long term, preferably both. (10)**

**10 Points Scale: GUIDELINE for Evaluation: Production Suppliers**
**Meet Target CR = 10 pts**
**Below Target CR by 0.01% - 0.50% = 8 pts**
**Below Target CR by 0.51% - 1.00% = 6 pts**
**Below Target CR by >1.00% = Buyer Discretion**

**3) <u>Communication & Other Performance</u>**
**Responds either verbally or by written correspondence to all situations that effect ASMO group as needed, or requested in a timely manner.**
**Responds in a timely manner to request, over and above normally scheduled situations. (5)**

**Total: (20)**

**Purchasing Corrective Action Notification**

**Based upon a supplier having a rating of less than the acceptable level for the month, the following applies:**

## Supplier Evaluation

**First Notice**

**A letter is sent to the supplier stating the following:**

"Our records indicate your overall rating has dropped below an ASMO group acceptable level. ASMO requests that a presentation by your upper management/executive level staff be made to our Purchasing Department , and other appropriate departments, including an effective countermeasure plan on how you will improve or correct your current rating. Also, this presentation must include a schedule detailing how and when this countermeasure plan will be completed."

**Second Notice**

**A letter is sent to the supplier stating the following (copy also given to President or EVP of ASMO):**

"Due to the continued rating performance below an ASMO acceptable level, ASMO personnel will visit your facility and request an update of the countermeasure plan and a detailed explanation of the failure to improve your current trend**."**

**Third Notice A letter is sent to the supplier stating the following (copy also given to President or EVP of ASMO):**

**"Due to the continued failure to improve your rating, ASMO is officially notifying you that if the downward trend continues, future and/or current business could be reconsidered. Within the next few weeks, the supplier must visit ASMO Inc. to address the subject at hand with ASMO Purchasing and other ASMO personnel deemed necessary." The supplier's presentation must include a detailed improvement plan.**

**Follow up meetings will be held at ASMO North Carolina, Inc. with the supplier to review the updated improvement plan, confirm evidence of progress and monitor overall improvement. These meetings will continue until improvement is verified and poor performance has been eliminated.**

**Probation Notice**

**A letter is sent to the supplier stating the following: Due to the continued failure to improve your rating, ASMO is officially notifying you of your probation status and if the downward trend continues, future and/or current business could be reconsidered. Within the next few weeks, the supplier must visit ASMO to address the subject at hand with ASMO Purchasing and other ASMO personnel as deemed necessary" . The supplier's presentation must include a detailed improvement plan.**

## Supplier Evaluation

Notices are sent out for each score below the target within a calendar year. Scores and notices do not need to be concurrent to progress to the next level.

**Listed below is the scale used by ASMO group for consideration of new or existing business based upon performance:**

| Score | Status | Comment |
| --- | --- | --- |
| **100 – 95.00** | **EXEMPLARY** | **No immediate action required. Look for opportunity for additional business.** |
| **94.9 – 80.00** | **ACCEPTABLE** | **Some improvement is required. Future business consideration is given.** |
| **79.9–70.00** | **PROBATIONARY** | **Substantial improvement is required. No future business consideration given.** |
| **Below 70.00** | **NON-ACCEPTABLE** | **Immediate improvement required. No future business consideration is given. Potential loss of existing business.** |

### 3. References

AIAG ISO/TS 16949 Quality Management Systems Manual
QSI-0130-007 - ASMO North Carolina, Inc. Supplier Evaluation Work Instruction

### 4. Applicable Forms

Delivery Change Request Form – QF-72
Supplier Evaluation Monthly Report - QF-70
Receiving Discrepancy Report – QF-266

ASMO group companies in NA

| | |
|---|---|
| Procedure: SQA-015 | Page 1 of 2 |
| Issue Date: 12-1-04 | Rev Date: 10/06/16<br>Rev No.: 8 |

# Value Analysis &Value Engineering Program

## 1. Purpose:

To establish a procedure for processing Design Change & VA/VE proposals submitted by Suppliers.

## 2. Policy:

To obtain Design Change & VA/VE proposals from suppliers to achieve cost savings and performance improvements.

## 3. Responsibility

The Purchasing Department is responsible for administering this policy.

## 4. Definitions And Explanation:

A. Value Analysis (VA) – Suggested improvements to an existing mass production component or material.
B. Value Engineering (VE) – Suggested replacement of an existing design.

## 5. Procedure:

A. Suppliers complete the Design Change & VA/VE Proposal Form, and submit to the ASMO Purchasing Department. A Quotation Worksheet must also be submitted with the proposed change (Production Parts only).

**Purchasing Actions**

1. Purchasing will review the submission for accuracy and completeness.
2. Based on information included in the Design Change & VA/VE Proposal Form, Purchasing will complete a Design Change Request Form for submission to ASMO Design Groups.
3. Purchasing will attach a copy of the Design Change & VA/VE Proposal Form and submit the Design Change Request Form to ASMO Co. Ltd. Japan and/or ADI for consideration.

The Design and Quality Department will review the Design Change / VA/VE request. After the department manager's approval, a copy of the Design Change Request Form will be returned to purchasing with the appropriate Initial Response box marked.

A. If the initial response is to continue the investigation, the request remains open and will follow the validation & approval processes included in SQA-05 & SQA-09.

B. Once initial response is received; the Purchasing Dept. will notify the supplier advising the status of the request, and provide direction for next steps.

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## 6. Applicable Forms

The attached forms contain the basic formats used for processing a VA/VE Proposal submitted by suppliers. The basic format is to be used and the determination must be approved by all responsible departments.

A. Design Change & VA/VE Proposal Form (AMI: QF-393, ANC: QF-193, GNC: QF-G608)

B. Quote Worksheet Form (AMI: QF-73, ANC: QF-194, GNC: QF-G548)

C. Design Change request Form (AMI: QF-390, ANC: QF-076, GNC: QF-G605)
Purchasing will complete the Design Change Request Form & submits with the VA/VE Proposal

ASMO group companies in NA

| Procedure: SQA-016 | Page 1 of 3 |
|---|---|
| Issue Date: 05/20/16 | Rev Date: 2/1/16<br>Rev Num: 8 |

# Supplier Packaging Specification

## 1. Purpose

To define responsibilities in the packaging specification process and how to accurately complete the form.

## 2. Responsibility

2.1 PUR Dept. (Receiving/Price)
2.2 QC Dept. (Quality)
2.3 PC Dept. (Mark Plant/Approval)
2.4 MFG Dept. (Process)

## 3. Instructions

3.1 The supplier packaging specification is a controlled document within ASMO group. Accuracy is critical. The supplier should not estimate data for the specification. Physical count must be performed to ensure accuracy of the data items. Only one part number per packaging specification.

3.2 The LPS/PC Specialist sends packaging specification to Supplier to be completed, and enters into approval system.

3.3 Digital photos required for packaging data.

3.4 Enter data assuming a full pallet being shipped,

3.4.1 Standard pallet dimensions for ASMO North Carolina, Inc.:
Wood: 48” x 48” x 5” full pallet w/o product (max 51” high w/product)
Wood: 48” x 45” x 5” full pallet w/o product (max 51” high w/product)
Wood: 48” x 40” x 5” full pallet w/o product (max 51” high w/product)
Wood: 48” x 24” x 5” half pallet w/o product (max 51” high w/product)
Wood: 48” x 20” x 5” half pallet w/o product (max 51” high w/product)
Plastic: 48” x 45” x 6” full pallet w/o product (max 51” high w/product)

3.4.2 If NAIL Run supplier, packaging preference is returnable containers.

3.4.3 Gross pallet weight is not to exceed 2000 lbs.

3.4.4 Each tote or box on pallet should not exceed 35 lbs.

3.4.5 If in expendable packaging, packaging must have room for corner boards on the pallet to improve stacking strength and palletized unit quality.

3.5 Cells outlined in **RED** are self-calculating fields. **Do not type in these fields.**

3.6 Enter numbers ONLY (NO UNITS) for dimensions, weights, and quantities. (Ex.5 not 5 inches)

3.7 NO fractions. Use decimals. (Ex. 8.5 not 8 1/2)

3.8 All units are English (ex. pounds, inches); if you operate in metric units, convert to English units.

3.9 Show cost for part, packaging and miscellaneous fee, also calculate total packaging fee (excluding part).

3.10 Use the “Supplier Data” field in the bottom left corner for any pertinent information not included in packaging specification.

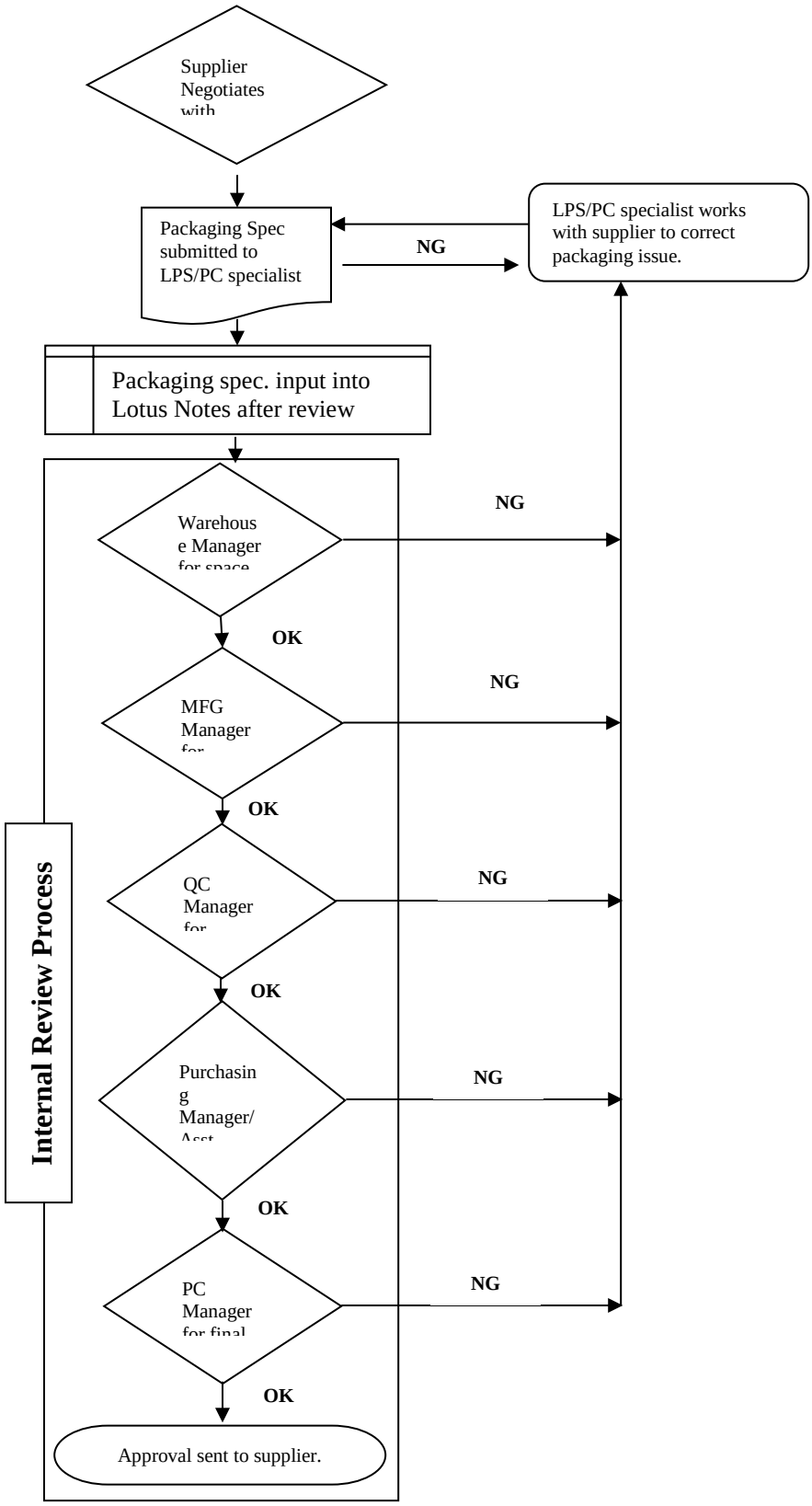
3.11 Approval Route (ANC Internal Approval Routing)

3.11.1 LPS/PC Specialist receives completed packaging Specification Form from supplier.
3.11.2 Copy of completed packing specification is to be filed into Lotus Notes after being reviewed by LPS/PC Specialist & ANC upper management
3.11.3 LPS/PC Specialist makes revisions when necessary in regards to ECI's, QC requests, and approved kaizen opportunities.

NOTE: Additional packaging specifications may be required due to end customer use. Details will be provided by ASMO PC department based on customer requirements.

## 4. Applicable Forms

ANC - Supplier Packaging Specification, QF-263
AMI – Supplier Packaging Specification,
GNC – Supplier Packaging Specification, QF-G596


Supplier Negotiates with
Packaging Spec submitted to LPS/PC specialist
NG
LPS/PC specialist works with supplier to correct packaging issue.
Packaging spec. input into Lotus Notes after review
Internal Review Process
Warehous e Manager for space
NG
OK
MFG Manager for
NG
OK
QC Manager for
NG
OK
Purchasin g Manager/ Asst
NG
OK
PC Manager for final
NG
OK
Approval sent to supplier.

ASMO group companies in NA

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|---|---|
| Issue Date: 10/29/13 | Rev Date: 2/1/16<br>Rev Num: 10 |

# Classification Control Slip

## 1. Purpose:

To explain when and how to fill out a Classification Control Slip.

## 2. When a Classification Control Slip is required:

- When shipping trial parts (Orange color paper)
- PPAP (1st shipment following PPAP approval) Green paper.
- Deviation (all deviated parts must be identified)
- Certification (re-delivery of sorted or repaired product)
- Any other case where special identification is necessary.

## 3. How to identify product:

Unless otherwise specified by ASMO group Quality Dept. each container of product shall be identified with a Classification Control Slip. The Classification Control Slip should be orange in color for all trial parts shipped and green in color for the first shipment following PPAP approval. (Please use staples "green" or orange color paper or similar)

## 4. How to complete a Classification Control Slip:

- ① ASMO group Part Number.
- ② Design/Temporary change number if applicable
- ③ Company Name
- ④ Select the issuing criteria from the 6 options or write your specific one
- ⑤ Part Name
- ⑥ Deviation Category and Number if necessary
- ⑦ Briefly describe what the change is about
- ⑧ The processes or departments involved
- ⑨ Signature of the person who checks or approves
- ⑩ Remarks
- ①① Lot Number

## 5. Applicable Forms

Classification Control Slip
ANC – (QF-216)
AMI – (QF-364)
GNC – (QA-903)

ASMO group companies in NA

| | |
|---|---|
| Procedure: SQA-018 | Page 1 of 1 |
| Issue Date: 11/03/06 | Rev Date: 2/1/16<br>Rev No.: 2 |

# Legal Reporting and IMDS Reporting Requirements

## 1. Purpose

To provide direction for the supplier in meeting governmental reporting requirements as well as OEM (Original Equipment Manufacturing) directed reporting requirements. OEM's are mandating that suppliers report recycled content, recycliblility, and restricted/ reportable substance content in parts shipped to them for the purpose of dismantling, recycling and substance certification.

## 2. Procedures

ASMO group is requiring that all suppliers submit two different sets of documents for the above items.

A. The first is the NAFTA Certificate of Origin for each part number sold to ASMO. The supplier is to submit the NAFTA Certification prior to PPAP submission and should send this document directly to the Purchasing Department. Please use the standard NAFTA form provided by the United States Treasury Department. A copy of this form is attached for your reference.

B. The second requirement is for the reporting of the recycled content, recyclibility, and restricted /reportable substance content in parts supplied to ASMO for the purpose of dismantling, recycling and substance certification. This requirement is being coordinated through our Denso Sales office and they have provided very specific instructions for reporting as is attached to this document.

C. Evidence submitted with PPAP package.

D. Both need to be completed before PPAP can be approved

## 3. References

US Department of Treasury NAFTA Certificate of Origin
Denso SoC Reporting Guide Rev. 8
Denso Design Standard DDS2004