



SAF-Holland, Inc.

SUPPLIER QUALITY REQUIREMENTS

HSQR-01

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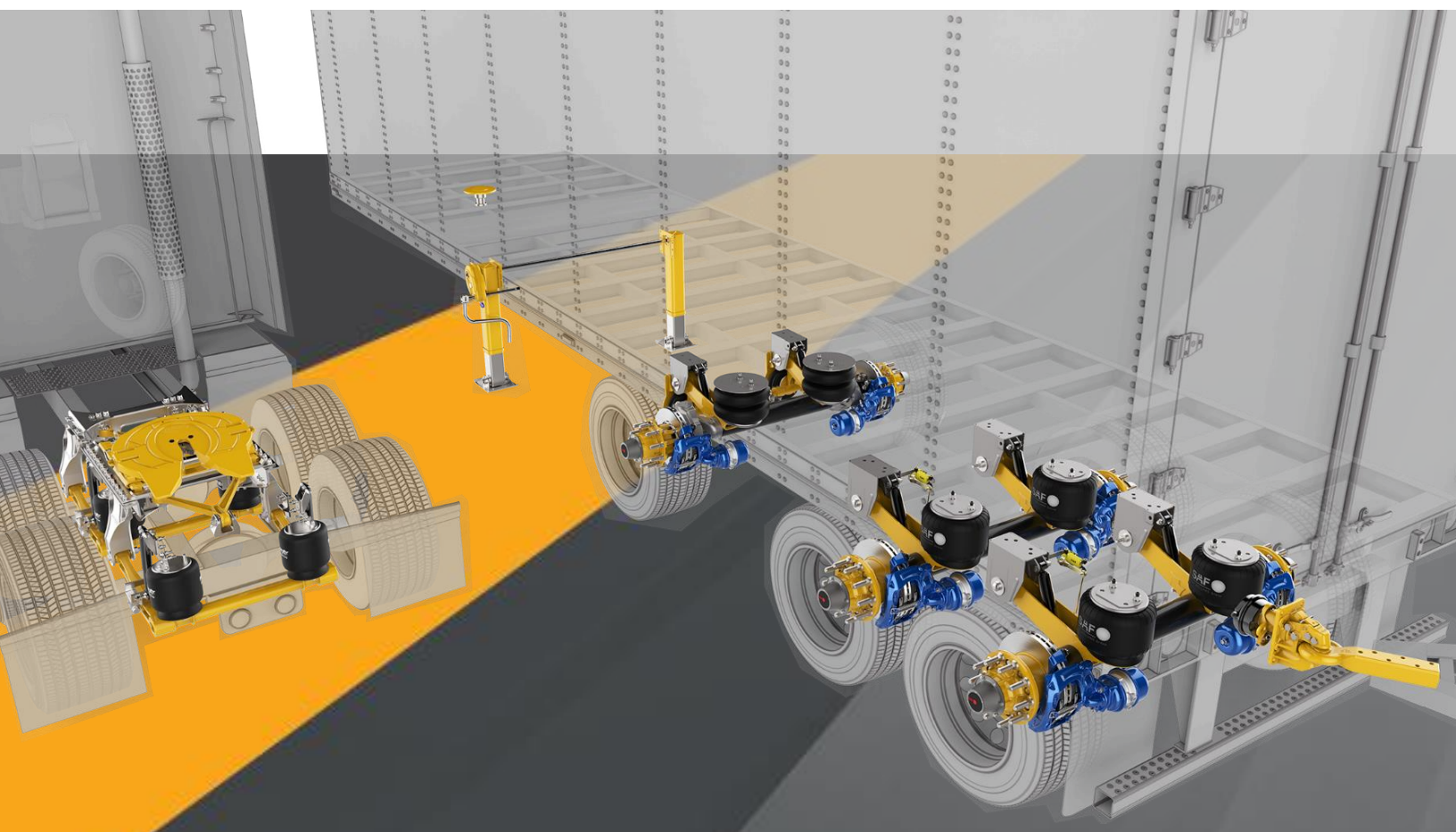


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SUPPLIER QUALITY REQUIREMENTS MANUAL REVISIONS

| SECTION | REV. DATE | REVISION |
|--|-----------|--|
| All | 2/03 | A - Initial release |
| All | 10/04 | B – Added Labeling information, Supplier Certification and Rating, clarified requirements for Corrective action, nonconforming material, material certifications, and administrative fees. Revised or new sections: 2.2, 2.3, 2.7, 2.10, 3.5.2, 3.6, 3.7, 3.8, 3.11 and 4.0. Section 3.7 Identification and Labeling Requirements completely revised and related Appendices added. Added a new Section 3.8 Product Packaging and Section 4.0 Supplier Performance. |
| Sections 2.1 2.7.1.2 3.5.2 3.6 | 10/05 | C – Section 2.1, pg. 5: “In addition, if the supplier has an in-house laboratory...or ISO 17025.” Section 2.7.1.2, pg. 8: Material Test Results “We will only accept material certifications...or ISO 17025 certified labs.” Section 3.5.2, pg. 10: Modified to read “Suppliers must submit...prior to shipping the material.” Section 3.6, pg. 11: “Original material certifications...or ISO 17025 certified laboratories.” Added paragraph to end of 3.6: “Suppliers designated as...the effect of this requirement.” |
| Statement of Commitment Section 1.4 | 9/06 | D – Added Environmental Management System implementation suggestion to Statement of Commitment. Added references to Canadian facilities and personnel, added contact info. |
| Cover page Statement of Commitment Section 2.1 Section 4.1 | 4/07 | E – Revise cover to reflect new name and logo. Revise Statement of Commitment to reflect supplier requirement of certification to ISO 9001 or ISO/TS 16949. Also revise wording in section 2.1, remove reference to PMT. Revise Supplier Rating system in section 4.1. Insert new name throughout manual. |
| Section 4.1 | 6/07 | F – Removed “and subjective elements.” Changed “Suppliers will receive...” to “Suppliers can receive...” Added “facility PIC (Production & Inventory Control) department...” |
| Section 1.4 Section 2.1 Section 4.1 | 11/08 | G – Changed all instances of “Strategic sourcing/purchasing” to “Strategic sourcing/Supply chain;” updated Section 1.4 with current contact information. Removed 2 paragraphs from Section 2.1 “Present and potential suppliers to SAF-HOLLAND shall be able to demonstrate...direction of the applicable Strategic sourcing/Purchasing personnel. Additional on-site Quality System audits may be required ...an evaluation conducted by SAF-HOLLAND representative(s).” Removed from Section 4.1 – “The ratings shall ...performance measures. Personnel in Quality... for their input. Suppliers ... they service.” |
| Section 1.0 | 10/09 | H – Added NOTICE TO SUPPLIERS at the end of section 1.0 Introduction |
| Section 2.4, Section 2.7, Section 2.7.1.2, Section 3.2, Section 3.6, Section 3.11, Section 4.0 | 09/16 | I – Added P.O Terms and Conditions reference Added note about Catalog/Industry Standard items. Revised Level 4 PPAP requirements to meet AIAG. Added Supplier Quality Engineer and some minor clarifications. Removed “Probationary” and “Approved” and replaced with “All” Referenced Supplier Recovery Process. Removed references to certified and probationary suppliers 4.2 and 4.3. |

| | | |
|--|-------|---|
| Statement of Commitment Section 3.2 Section 3.5.2 | 8/20 | J –Revise Statement of Commitment to reflect supplier requirement of certification IATF 16949. Added requirements for Welding cert. Changed to 24-hour containment requirement. Admin Fee for cost recovery. |
| Section 3.2 Section 3.3.1 Section 3.3.2 Section 3.5.1 Section 3.6 | 2/22 | K- Changed verbiage to Q-Note, corrective action form to 8D. Major update to timing expectations including clarification of response requirements. Inclusion of response action table example (ERA v ICA v PCA (Permanent Corrective Actions)). Addition of Communications section for clarity of control number for concerns. Section created specific to sorting activities and clarification of responsibly. Clarification and timing to material disposition. Inclusion of controlled shipping for insufficient controls. Further clarification to COPQ. |
| Section 3.2 Section 2.7.1.2 Appendix B Appendix E Section 2.1 Section 2.3 Cover Page | 10/22 | L- Addition of section 3.2 for cleanliness requirements of products to receive coating. Changed default PPAP level from level 2 to level 3, Updated Table for alignment to AIAG PPAP Requirements, Appendix B Updated Supplier Request for Change Authorization form, Update appendix E to include measurement method, additional columns for all 6 Parts variable data. Included corporate quality. Requirement for ongoing Cpk analysis of significant characteristics, added characteristics matrix Also updated company logo on cover page. |
| Section 2.7 2.7.1.1 2.7.1.2 Appendix D 3.3 Statement of Commitment | 9/23 | M- Corrected remaining PPAP Level 2 to Level 3. Added clarification of PSW required for each shipping location Added “*” requirement to element 15 Level 4 Verbiage changed. Communication updated to included supplier form Add linkage to supplier code of conduct. |
| Statement of Commitment 2.1,2.2 2.4 Appendix A PSW SRCA 2.10 4.5 5.1 | 2/24 | *Significant Changes – Document Re-Format N- Added verbiage requiring suppliers use IAF-recognized certification bodies when pursuing ISO or IATF certifications and CQI Requirements. Added. Section 2.1, 2.2 supplier assessments and special processes. Added Sections 2.4.2 Technical Review , 2.4.3 Safe Launch Plans Added Reference to Specific CQI’s Updated with New Form Rev. Updated with New Form Rev. Added 2.10.1.15, 2.10.1.16 requirements for IMDS and CQI Changed Improvement to Top Focus Added 5.1.2.4, 5.1.2.5 Scoring Detail |

STATEMENT OF COMMITMENT

SAF-HOLLAND, Inc. has embarked on a partnering relationship with our suppliers. This relationship recognizes the importance of our suppliers in assisting to meet our goals and objectives and to maximize our customer satisfaction as a World Class Supplier. This manual defines requirements for SAF-HOLLAND suppliers but does not supersede requirements that may be specified within our purchase orders, blueprints, or engineering specifications. We require our suppliers to obtain an ISO 9001 or ISO/IATF 16949 quality standard certification which has been issued by a certification body who has been accredited by an IAF MLA signatory Accreditation Body under main scope ISO/IEC 17021-1. SAF-Holland requires suppliers of welded components to have the American Welding Society or ISO 9606-1 certifications for personnel producing such components. We also require the supplier to follow quality requirements set forth by American Welding standards or ISO 3834 for welded components. SAF-Holland requires suppliers to utilize IMDS for material reporting and for those suppliers to the Truck and Brake divisions to be compliant with the applicable CQI's of their respective technologies. SAF-Holland strongly encourages our suppliers to consider implementation of an environmental management program such as ISO 14001; we are committed to being good corporate stewards of our environment and we appreciate suppliers who join us in that objective.

SUPPLIER CODE OF CONDUCT

In addition to this manual, suppliers shall also comply with the terms of the Buyer's Supplier Code of Conduct Policy. It is strongly encouraged that suppliers and their appointees review the code of conduct in its entirety via the SAF Holland supplier portal.

SUPPLIER REQUIREMENTS

1. Introduction*1.1. Scope*

The details stipulated within this manual are intended as the minimum mandatory requirements for all suppliers of production material, tooling, and services to SAF-HOLLAND, Inc., its subsidiaries, and affiliates, regardless of their global location.

1.2. Purpose

This manual was written to provide our valued suppliers with an understanding of their responsibilities related to product quality and the assurance thereof. It defines minimum quality requirements for all suppliers of components and/or services to SAF-HOLLAND, Inc. and does not replace or alter any other terms or conditions covered by purchase order agreements, blueprints, or engineering specifications.

1.3. General

This document supersedes all previous Holland Hitch, Holland Binkley, Holland Neway International, Holland International, The Holland Group or Holland USA documentation on the subject of, or relating to, supplier quality.

1.4. Supporting Documents

Comments or questions regarding SAF-HOLLAND, Inc.'s Supplier Quality Requirements, HSQR-01 manual may be submitted via email:

Strategic Sourcing Dept., SAF-HOLLAND, Inc. strategicsourcing@safholland.com

NOTICE TO SUPPLIERS: The Supplier is responsible for tool build to produce product(s) which meet current SAF-HOLLAND drawing specifications; Solid Models, when provided, are for convenience and expediency. All translated 3D models should be confirmed to current 2D drawings.

2. Supplier Approval, Manufacturing Planning, & Evaluation*2.1. Supplier Assessment*

- 2.1.1. Participation from all levels of the supplier's organization is expected during this evaluation. SAF-HOLLAND reserves the right to conduct an onsite assessment at the supplier's location at any time. For new suppliers, the assessment shall be completed prior to the award of business.
- 2.1.2. The assessment may take several days depending on the complexity of the process under review.
- 2.1.3. A supplier self-assessment will be completed for all suppliers that intend to deliver production intent components and materials to SAF-HOLLAND.

- 2.1.4.A follow-up assessment may be conducted by a SAF-HOLLAND representative.
- 2.1.5.The default assessment is PPA (parts & process audit)
 - 2.1.5.1. Suppliers are required to achieve an “>80%” or “60-80%” score.
 - 2.1.5.2. Suppliers with a score >80% are preferred Suppliers and may be awarded business.
 - 2.1.5.3. Suppliers with a score of 60-80% may be granted conditional approval with a submitted action plan.
 - 2.1.5.4. A supplier with a “<60%” score (not quality capable) will not be considered for award of business.

2.2. Special Processes

Suppliers to the truck and brake divisions of SAF-HOLLAND with special processes, both internally and externally outsourced, as identified by the Automotive Industry Action Group (AIAG).

- 2.2.1.As of the writing of this publication, processes falling under the “Special Processes” requirements include the following:
 - 2.2.1.1. CQI-9 Heat Treat Systems Assessment
 - 2.2.1.2. CQI-11 Plating Systems Assessment
 - 2.2.1.3. CQI-12 Coating Systems Assessment
 - 2.2.1.4. CQI-15 Welding Systems Assessment
 - 2.2.1.5. CQI-17 Soldering Systems Assessment
 - 2.2.1.6. CQI-23, Molding System Assessment
 - 2.2.1.7. CQI-27 Casting System Assessment
 - 2.2.1.8. CQI-29 Brazing System Assessment
 - 2.2.1.9. In addition, Traceability Guidelines, or other standards and/or guidelines specified on product drawings/specifications/standards or other contractual provisions must be met.
- 2.2.2.The supplier shall confirm with the applicable AIAG Special Process Documents that applies to those specific technologies for their processes.
- 2.2.3.The supplier shall conduct ongoing assessments for those special processes.
 - 2.2.3.1. Minimum of once annually

2.3. Supplier Approval

SAF-HOLLAND requires suppliers to be certified to ISO 9001 or ISO/TS 16949 quality standards. All new and current suppliers of product to SAF-HOLLAND may also be audited by SAF-HOLLAND representative(s); it will be up to Strategic Sourcing/Supply chain personnel, SAF-HOLLAND Engineering, and SAF-HOLLAND Quality Department to determine if an on-site audit is required. Future on-site audits may be waived after the initial audit if the delivery and quality of the product manufactured at the supplier are of an elevated level of acceptance. The level of acceptance will be determined by the plant and corporate Quality Departments.

In addition, if the supplier has an in-house laboratory and wishes to submit their own material certifications for products instead of the original material certification as provided by the producer, the laboratory must be audited and approved by SAF-HOLLAND unless certified to A2LA or ISO 17025.

2.4. Supplier Planning/Safe Launch & Technical Review for Product Quality

SAF-HOLLAND expects suppliers to evaluate drawings during the quotation phase of the life cycle. Any exceptions to the tolerances and characteristics on the drawings should be made then during the Technical Review. Once a quotation has been received without exception, the supplier will be expected to provide the product to the drawing as shown at the price quoted.

2.4.1. The Quality Planning process is directly intended to identify:

2.4.1.1. All potential and real risks that may affect product integrity.

2.4.1.2. All opportunities to incorporate mistake-proofing techniques in accordance with a Zero-Defect Policy

2.4.2. Technical Review

2.4.2.1. Design/Print Considerations

2.4.2.2. Material/Process Specifications

2.4.2.3. Packaging Considerations

2.4.2.4. Tooling

2.4.2.5. Quality Review

2.4.2.5.1. PPAP Sample Requirements

2.4.2.5.2. Testing Sample Requirements

2.4.2.6. Warranty Review

2.4.3. Safe Launch Plans

2.4.3.1. Every new program launch shall be accompanied with specific line items within the Supplier PPAP Documentation that capture potential non-conformances.

2.4.3.2. These non-conformances shall be insulated from SAF-HOLLAND and be captured internally.

2.4.3.3. Data captured during safe launch shall be a part of a feedback loop to remove the error of the Non-Conformance and additional process controls shall be documented in the PPAP PFMEA's and Control Plans. Re-assessed and new priority numbers assigned.

2.5. Significant Characteristics

While all specifications on SAF-HOLLAND Design Center drawings are important, some are deemed to have additional significance and are identified on drawings.

All characteristics are expected to attain 100% conformance to drawing specifications. Significant characteristics (as specified on the drawings) must also demonstrate a process capability greater than 1.33 Cpk at PPAP and ongoing Cpk analysis as detailed in the matrix below. Any deviations to this requirement must be issued in writing by the SAF-HOLLAND VP HSEQ.

Documentation providing evidence of process capability shall be made available to SAF-HOLLAND representatives at any time upon request. This may be done using the process FMEA and control plans.

| Capability Requirements | | |
|-------------------------|---------|------------|
| Special Char. | At PPAP | Continuing |
| CC1 | 1.67 | 1.67 |
| CC2 | 1.33 | 1.33 |
| SC | 1.33 | 1.33 |
| HIC or HC | 1.33 | 1.33 |

Supplier input in significant characteristic determination is encouraged.

2.5.1.*CC2, SC, HIC (High Impact Char)– if capability cannot be achieved, 100% functional gaging required with onsite review of controls. Gage R&R under 10% required for all gaging.

2.6. Pre-Award Meeting

A Pre-Award Meeting with present and potential suppliers offering new products or services may be required prior to purchase order issuance. Technical, quality, manufacturing, engineering, purchasing, delivery, and business issues may be reviewed during this meeting to provide the supplier with a thorough understanding of SAF-HOLLAND’s requirements. Purchase Order Terms and Conditions can be found under the Supplier Section of the SAF-HOLLAND Corporate website.

2.7. Engineering Prototype Sample Submission

Engineering prototype parts with documentation of specification conformance shall be submitted by the Supplier for engineering validation testing to the stipulated SAF-HOLLAND location as designated on the purchase order. Each sample or prototype lot, at a minimum, must be accompanied by a completed dimensional results report for at least one piece, with the additional pieces serialized and significant characteristics measured and recorded with the corresponding serial number. In addition, material test results reports, and performance test results reports as described in the Production Part Approval Process (PPAP) manual are required. Specific instructions, in addition to these stated requirements, will be agreed upon and documented via purchase order.

2.8. Manufacturing Process Review

At the discretion of SAF-HOLLAND, Engineering, Quality or Strategic Sourcing/Supply chain personnel from SAF-HOLLAND may visit the Supplier (based upon risk assessment), and a systematic and sequential review of a Supplier’s manufacturing process may be conducted at the Supplier’s facility prior to PPAP submission. These reviews are typically known as Process Signoff’s, Run at Rates, etc. The format to be used will be agreed upon with SAF-HOLLAND and the Supplier before the review. The review, if required, of the run at rate would be completed as part of the quality planning and

manufacturing processes for new and/or significantly changed products. In some cases, the run-off may be performed after PPAP.

2.9. Production Part Approval Process (PPAP)

All production part sample submissions shall be in accordance with the requirements stipulated by the purchase order and Strategic Sourcing/Supply Chain personnel. In the absence of any specific instructions, the Supplier shall default to a Level 3 PPAP submission.

NOTE: Catalog or Industry Standard items that SAF-HOLLAND does not have design control over will default to a Level 1 PPAP, unless otherwise specified.

All suppliers shall submit a clean PPAP without any noted problems. Suppliers unable to meet Engineering requirements may request a deviation or change in tolerance to the SAF-HOLLAND manufacturing facility before submission of the PPAP. Parts submitted to SAF-HOLLAND as PPAP samples MUST meet all Engineering requirements unless the supplier has received a deviation before submission.

Any shipment of a production product without first obtaining either a signed, approved PPAP part submission warrant (PSW) or an approved SRCA may be classified as a non-conforming product.

NOTE: In situations that involve product/components designated as safety/critical, no deviations/concessions shall be permitted on features that affect the functionality/reliability of the product without the appropriate validation and approval(s).

The PPAP samples are to be sent to the plant location with clear identification of the material as PPAP sample. See Appendix C – suggested identification tag/label.

Unless waived by SAF-HOLLAND, product or process changes require the submission of a warrant document and supporting documentation (See Appendix B for a suggested form). Upon review of the documentation, samples may be requested.

Engineering changes initiated by SAF-HOLLAND require PPAP resubmission unless waived by SAF-HOLLAND.

2.10. PPAP Documents and Submission Requirements

2.10.1 The following documents and items must be completed by the supplier for PPAP. Directions on which of these items must be provided to SAF-HOLLAND are defined in the Retention/Submission Requirements Table.

2.10.1.1. Production Part Submission Warrant (Appendix D)

2.10.1.2. When a supplier ships to more than one SAF Location: Supplier to submit PPAP Package to primary plant, package to include a PSW for EACH receiving plant with the customer location/division completed with the receiving plants address.

- 2.10.1.3. Appearance Approval Report (AAR) for parts with color, grain, or surface requirements
- 2.10.1.4. Sample parts or as agreed to in the Control Plan
- 2.10.1.5. Any authorized engineering change documents not yet incorporated in the design record but incorporated in the part
- 2.10.1.6. Dimensional results referenced to the part drawing requirements or a checked print where the results are legibly written on a part drawing (including cross-sections, tracings, or sketches as applicable)
- 2.10.1.7. Checking aids (fixtures, models, templates, mylars, etc.) specific to the part being submitted, used in inspecting or testing if specified
- 2.10.1.8. Material, performance, and durability test results as specified on the design record, i.e., original material certification/original mill report
- 2.10.1.9. Process flow diagrams
- 2.10.1.10. Process Failure Mode and Effects Analysis (Process FMEA).
- 2.10.1.11. Control Plans that include all product and process-related significant or critical characteristics. Control Plans for "families" of similar parts are acceptable if the new parts have been reviewed for commonality.
- 2.10.1.12. Process capability results showing conformance to customer requirements for significant, critical, and compliance-related characteristics, with supporting data such as control charts.
- 2.10.1.13. Measurement system variation (Gage R&R) studies for all equipment used for the statistical studies for new or modified gages, measurement, and test equipment.
- 2.10.1.14. Engineering approval when so required on SAF-HOLLAND's drawing or specification.
- 2.10.1.15. Ensure IMDS number is noted on part submission warrant.
- 2.10.1.16. Include the most recent annual special process assessment document (CQI) for all applicable special processes.

3. Retention/Submission Requirements Table

In the absence of instructions to the contrary, Level 3 applies. The purchase order will specify the submission if it is not Level 3.

3.1. PPAP Submission Level Matrix

| <i>Requirement</i> | <u>Submission Level</u> | | | | |
|-------------------------------------|-------------------------|----------------|----------------|----------------|----------------|
| | <i>Level 1</i> | <i>Level 2</i> | <i>Level 3</i> | <i>Level 4</i> | <i>Level 5</i> |
| 1. Design Record | R | S | S | * | R |
| -for proprietary components/details | R | R | R | * | R |
| -for all other components/details | R | S | S | * | R |

| | | | | | | |
|-----|--|----|----|----|---|----|
| 2. | Engineering Change Documents if any | R | S | S | * | R |
| 3. | Customer Engineering Approval, if required | R | R | S | * | R |
| 4. | Design FMEA | R | R | S | * | R |
| 5. | for details Process Flow Diagrams | R | R | S | * | R |
| 6. | Process FMEA | R | R | S | * | R |
| 7. | Control Plan | R | R | S | * | R |
| 8. | Measurement System Analysis (MSA) | R | R | S | * | R |
| 9. | Dimensional Results | R | S | S | * | R |
| 10. | Material, Performance Test Results | R | S | S | * | R |
| 11. | b) Design FMEA's Initial Process Studies | R | R | S | * | R |
| 12. | Qualified Laboratory Documentation | R | S | S | * | R |
| 13. | Appearance Approval Report (AAR), if applicable | S | S | S | * | R |
| 14. | Sample Product | R | S | S | * | R |
| 15. | Master Sample | *R | *R | *R | * | *R |
| 16. | Checking Aids | R | R | R | * | R |
| 17. | Records of Compliance with Customer-Specific Requirements. | R | R | S | * | R |
| 18. | Part Submission Warrant (PSW) | S | S | S | S | R |
| | -Bulk Material (See 4.1 of AIAG PPAP) | S | S | S | S | R |

- S - Submit to designated SAF-HOLLAND facility for part approval activity. Retain copy at manufacturing location.
- R - Retain at manufacturing location. **Readily** available to SAF-HOLLAND representative upon request.
- * - Retain at manufacturing location and submit upon SAF-HOLLAND request.

3.2. Sample Submission Forms & Instructions:

- 3.2.1. The Part Submission Warrant form (Appendix D)
- 3.2.2. Dimensional Results sheets that may be used (Appendix E)
- 3.2.3. Material Test Results – no form. We will only accept material certifications supplied by the producer (original material certifications) or third-party certifications from SAF-HOLLAND-audited and approved labs or A2LA or ISO 17025 certified labs.

3.3. Verification Reviews of Purchased Product

The Supplier shall allow both SAF-HOLLAND and its customers the right to verify, at the Supplier's premises, the product and subcontracted product(s) conform to specified requirements. Before conducting such verification reviews, the SAF-HOLLAND representative shall specify the arrangements and method of performing them.

3.4. Warranty

Requirements for warranty claims may be identified on SAF-HOLLAND purchase orders or contracts. Other specific warranty requirements may be reviewed/identified before business is awarded.

3.5. Changes to Approved Product and Processes

No changes may be made to the approved production product (or the processes for the product) without notifying SAF-HOLLAND Strategic Sourcing Department. (See the requirements under 2.7. Production Part Approval Process). Failure to comply with these requirements shall make the Supplier fully responsible for those costs resulting in failures attributable to the change. Deviations from drawings may be requested by the supplier using the SRCA process, see Appendix B for a sample document.

4. Manufacturing Control

4.1. Dies, Patterns, Molds, Special Tooling, and Returnable Packaging

- 4.1.1. The Supplier shall establish preventive/predictive maintenance procedures on all SAF-HOLLAND tooling. Evidence of procedure execution shall be made available upon request. All tooling shall be permanently marked so that the ownership of each item is visually apparent. Tooling shall be stored to prevent damage or deterioration to the tool.
- 4.1.2. Preventive/predictive maintenance schedules and tool history records shall be documented and available for review.
- 4.1.3. The Supplier shall establish a system to ensure that goods and/or services are transported and stored in a way that prevents damage, deterioration, etc.

4.2. Component Cleanliness

- 4.2.1. The supplier is responsible for ensuring that any substances used in the production of parts supplied to SAF-Holland can be adequately removed for coating adhesion using existing wash systems at SAF-Holland manufacturing sites.

4.2.2. Parts will be evaluated for wash and paint as part of the PPAP process, or as part of the SRCA process. Product data sheets (PDS) and material safety data sheets (MSDS) for substances used in the manufacturing processes must be submitted to SAF-Holland for review along with representative samples that will be run through the wash/paint process at the various SAF-Holland manufacturing facilities.

4.3. Corrective Action Requests

4.3.1. The Supplier is responsible for the quality of the product shipped to SAF-HOLLAND plants and its customers as defined within the Incoterms of note per the contractual agreement.

4.3.1.1. The International Chamber of Commerce (ICC) updated Incoterms are published every 10 years and are available from the ICC Website.

4.3.1.1.1. Suppliers are expected to comply with the Newest Published release of the Incoterms.

Incoterms® 2020 Rules Responsibility Quick Reference Guide

| Groups | Freight Collect Terms | | | | | | Freight Prepaid Terms | | | | |
|--|--------------------------------|--------------------------------|--------------------------------------|--------------------------------|-----------------------------------|--|------------------------------------|---|--------------------------------------|--|--|
| | Any Mode or Modes of Transport | | Sea and Inland Waterway Transport | | | | Any Mode or Modes of Transport | | | | |
| Incoterm® | EXW Ex Works (Place) | FCA Free Carrier (Place) | FAS Free Alongside Ship (Port) | FOB Free On Board (Port) | CFR Cost and Freight (Port) | CIF Cost Insurance & Freight (Port) | CPT Carriage Paid To (Place) | CIP Carriage & Insurance Paid to (Place) | DAP Delivered at Place (Place) | DPU Delivered at Place Unloaded (Place) | DDP Delivered Duty Paid (Place) |
| Transfer of Risk | At Buyer's Disposal | On Buyer's Transport | Alongside Ship | On Board Vessel | On Board Vessel | On Board Vessel | At Carrier | At Carrier | At Named Place | At Named Place Unloaded | At Named Place |
| Obligations & Charges: | | | | | | | | | | | |
| Export Packaging | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller |
| Loading Charges | Buyer | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller |
| Delivery to Port/Place | Buyer | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller |
| Export Duty, Taxes & Customs Clearance | Buyer | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller |
| Origin Terminal Charges | Buyer | Buyer | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller |
| Loading on Carriage | Buyer | Buyer | Buyer | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller |
| Carriage Charges | Buyer | Buyer | Buyer | Buyer | Seller | Seller | Seller | Seller | Seller | Seller | Seller |
| Insurance | Negotiable | Negotiable | Negotiable | Negotiable | Negotiable | *Seller | Negotiable | **Seller | Negotiable | Negotiable | Negotiable |
| Destination Terminal Charges | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Seller | Seller | Seller | Seller | Seller |
| Delivery to Destination | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Seller | Seller | Seller |
| Unloading at Destination | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Seller | Buyer |
| Import Duty, Taxes & Customs Clearance | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Seller |

*CIF requires at least an insurance with the minimum cover of the Institute Cargo Clause (C) (Number of listed risks, subject to limited exclusions)
**CIP requires at least an insurance with the minimum cover of the Institute Cargo Clause (A) (All risk, subject to limited exclusions)
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Chart showing new Incoterms 2020 updates for global trade

4.3.2. A Q-Note (Quality Notification) can be issued to the Supplier when an SAF-HOLLAND plant receives material or service that fails to conform to applicable quality and delivery specifications. An Eight disciplines problem solving (8Ds) report may be used to request a documented corrective action from the Supplier. (If an 8D is NOT submitted to the Supplier, it is intended that the Supplier still initiates action to correct the problem.)

4.3.2.1. Response Timing Expectations:

- 4.3.2.1.1. 4 Hours: Acknowledgement of the concern.
- 4.3.2.1.2. 24 hours: Initial Response, 8D complete through sections D3. Detailing both ERA (Emergency Response Actions) and ICA (Interim Containment Actions)
- 4.3.2.1.3. 7 days: All suspect material at SAFH has been dispositioned and is removed from all SAFH locations.
- 4.3.2.1.4. 14 days: Receipt of the 8D completed through D5 with detailed evidence validating root cause, methods used to arrive at root cause, and the corrective action plan.
- 4.3.2.1.5. 30 days: Final and complete 8D received.

4.3.3. Suppliers must receive a written approval from SAF- Holland quality staff for any extension to the above response timing requirements to avoid additional negative supplier impacts.

4.3.4. Failure to respond within the timing expectations communicated within this notice could result in additional supplier score impacts due to their not meeting delivery requirements because of this action.

4.3.5. Initial 24-Hour Response

- 4.3.5.1. The team must include at least one operator and the problem description shall be defined in the 5W/1H format. Containment actions are required for all notifications, the Supplier is required to submit, in writing, the containment plan for material, at a minimum this shall capture the Emergency Response Actions (ERA) to the concern. This plan must include a clear method of controlling the outflow of non-conforming material (NCM), identifying suspect material and their locations throughout the entire value stream. Provide clear visual identification to differentiate product that has been through the containment process to support a break point for the event.

| ERA vs ICA vs PCA Examples | | |
|---|---|--|
| Emergency Response Actions (ERA) | Interim Corrective Actions (ICA) | Permanent Corrective Actions (PCA) |
| Quality Alert Issued | | |
| Locations of suspect material identified | | |
| Issuance of return material authorization of reported part that customer concern originated from. | | |
| Sorting of previously produced suspect material | | |
| Identifying the break point between "Clean" and Suspect stock | Ongoing (Certification) sorting of production material to confirm conformance. (While determining RC) | |
| Bringing machine parameters back to conformance | Continued container or part marking of conforming material. | |
| Machine maintenance review | Ongoing confirmation of machine parameters | Prevents process from running without proper parameters |
| Verification of operator training on process that created the defect. | Correcting machine to bring into compliance items from the machine review | Establishing procedures or adjust maintenance schedules to prevent error mode. |
| | Training of operators | Corrects what allowed operators to not be trained. |

4.3.6. Post 24 Hour Response

4.3.6.1. Effectiveness of the containment actions shall be supported by data within the D3 section and must be populated throughout until the entire 8D process is complete.

4.3.6.2. In some instances, interim containment actions (ICA) are required in addition to an ERA. In other instances, the ERA becomes your ICA. However, in either case, it is the expectation that this ICA is to remain in place until such time that corrective actions to prevent the occurrence are verified as effective and closure of the 8D at SAFH has been formally documented with the supplier.

4.3.6.3. 14 Day Response

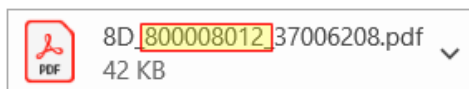
The Supplier shall submit a formal, permanent corrective action plan on the provided 8D through D5. At a minimum, this action plan shall identify the problem (not just the problem as experienced by the customer), the potential root cause(s) of the problem and the plan to correct the root cause of the error that produced the defect. This preliminary response for the corrective action is expected within 14 days, in addition to the items above, the supplier must have data populated in section D3 of this response for the Interim Containment Activity.

4.3.6.4. 30 Day Response

A complete and final 8D listing the confirmed root cause, method to validate root cause supported with trial Data (can we turn it off and on?), corrective actions, verification of effectiveness data for the corrective action (Production Data), and system prevention actions must be submitted no later than thirty 30 days from the date of the initial notification, unless otherwise specified by SAF-HOLLAND personnel.

4.3.6.5. Communications

All responses to Corrective Action Requests are to be sent to the issuer on the supplied SAFH 8D form or a similar supplier form if it covers the same content of the eight disciplines. All communications and documents must include the 9-digit SAF-Holland concern number associated with this non-conformance, see highlighted portion in the visual below.



4.3.6.5.1. Emails shall include this number in the subject line at minimum.

4.3.6.5.2. Attachments shall include this number in their file name at a minimum.

4.3.6.5.3. In addition to this number, 8D responses shall include the level of completion and the date it is sent within their file name.

4.3.7. The plant Quality personnel, Supplier Quality Engineer or Strategic Sourcing/Supply Chain personnel may follow up on non-conformances and corrective actions with the Supplier to assure that the response from the Supplier is correct and timely.

4.4. Containment Status

SAF-HOLLAND plants have an expectation of 100% conforming product shipments and will work with suppliers to ensure the attainment of that goal. Suppliers whose performance is unreliable may need more steps to ensure conforming product at the supplier's cost.

4.4.1. Sorting Activities:

- 4.4.1.1. The preferred method that should be utilized is a stock swap in which all suspected material is returned to the supplier for sorting to be conducted at their facilities.
- 4.4.1.2. In the event sorting must be conducted at SAF-Holland, it will only be permitted temporarily when removing the material from our facilities would greatly impact our production and/or delivery requirements to our customer(s).
- 4.4.1.3. The supplier is 100% required to engage the 3rd party and set up direct billing.
- 4.4.1.4. The supplier manages these activities and provides all required tools and materials required to the inspectors and/or contracted 3rd party before sorting activities start.

SAF Holland does not engage or pay 3rd party inspection sources for supplier related parts that need sorting and clean points achieved.

4.4.2. Material Disposition:

- 4.4.2.1. All non-conforming material is to be dispositioned by the supplier within 7 days of this notification date.
- 4.4.2.2. If disposition is not received from the supplier within 7 days after the material has been classified the material will be scrapped and the cost will be debited from the supplier.
- 4.4.2.3. Suspect material that has not been sorted or returned to the supplier with a provided RGA within 7 days will be scrapped and the cost will be debited from the supplier.

4.5. *Supplier Top Focus*

Suppliers who continually do not meet SAF-HOLLAND performance expectations due to quality or delivery performance may be selected for Top Focus Engagement. Top Focus meetings can be held by Strategic Sourcing/Supply Chain or Quality personnel. Top Focus meetings are designed to drive suppliers to identify the systemic/management issues that need to be addressed to put effective closure to an issue(s). The basis upon which a supplier may be invited to Top Focus meetings include, but are not limited to, unsatisfactory performance in any of the following areas:

- 4.5.1. Delivery performance
- 4.5.2. Corrective Action response
- 4.5.3. Problem Solving
- 4.5.4. PPAP performance
- 4.5.5. Response and service
- 4.5.6. Supplier Evaluation Rating Program

An outcome of the Top Focus Meetings is a mutually agreed upon action plan with realistic goals and targets against which the Supplier is monitored to effective closure of the issue. Action plans that exceed 90 days duration may require the Supplier's justification and may warrant interim improvement meeting reviews. Follow-ups on the Supplier's performance issues are typically helped by a member of the Supplier Development Team, However, may be initiated by any member from Strategic Sourcing/Supply Chain personnel or Quality Members.

4.6. Non-Conforming Material

The policy of SAF-HOLLAND is to not accept products that do not meet the specifications applicable to drawings and requirements. If the Supplier finds product outside of the requirements:

- 4.6.1. Nonconforming products are NOT to be shipped to SAF-HOLLAND. The product is to be repaired, reworked (within drawing tolerances), or replaced.
- 4.6.2. If a supplier's current controls either, temporary or permanent, are not sufficient to insulate SAF-Holland from receipt of additional nonconforming material, controlled shipping may be initiated with written notification from SAF-Holland
- 4.6.3. If a supplier's current controls either, temporary or permanent, are not sufficient to insulate SAF-Holland from receipt of additional nonconforming material, controlled shipping may be initiated with written notification from SAF-Holland.
- 4.6.4. Suppliers must submit a Supplier Request Change Approval (SRCA) request for any nonconformance to the applicable manufacturing facility prior to shipping the material. The manufacturing facility, if it agrees that the request should be considered, will forward the request to the appropriate SAF-HOLLAND Design Center for processing in accordance with ZP830-001 – Deviation Processing Procedure. The Supplier will still need to correct the problem that caused the part to be outside of the required specification. These deviation requests may be subject to administrative fees.

4.7. COPQ (Costs of Poor Quality):

All costs incurred by SAF-Holland that are due to a supplier not adhering to SAF-Holland quality and delivery requirements may be charged back to the responsible supplier, this includes, but is not limited to:

- 4.7.1. Administrative charges (Standard rate is \$350 USD per Q-Note, Subject to change relative to the amount of SAFH resources required)
- 4.7.2. Customer issues
- 4.7.3. Scrap or other in-process waste (Component and value-added product including finished goods)
- 4.7.4. Warranty
- 4.7.5. Rework
- 4.7.6. Sorting and Disposition of suspect material and non-conforming product
- 4.7.7. Shipping and Handling
- 4.7.8. Premium Freight (Inbound and Outbound)
- 4.7.9. Downtime, overtime, line speed reductions
- 4.7.10. Equipment damage
- 4.7.11. Labor required to sort materials
- 4.7.12. Replacement material cost

- 4.7.13. Value-added operations prior to discovery
- 4.7.14. Additional incoming inspection to protect against poor supplier performance
- 4.8. Material Certifications / Certificates of Conformance / Capability Data Summary
 - 4.8.1.A signed certificate of conformance, certificate of analysis, and/or capability data summary may be required to accompany each shipment of specified components or materials.
 - 4.8.2.Original material certifications or original mill material certifications are required for all castings, forgings, raw steel, and parts manufactured from raw steel, graded fasteners, rubber and plastic parts, and other material as specified on the purchase order. Third party certifications will be accepted from SAF-HOLLAND-audited and approved laboratories or A2LA or ISO 17025 certified laboratories. The original material certifications must be received with the shipments. Material received less than the required documentation will be considered nonconforming and may be subject to administrative fees per the section conveying COPQ of this document.
 - 4.8.3.The certificate of analysis must contain the actual results of physical testing and/or measurements specified by the drawing, specification, and/or purchase order.
 - 4.8.4.Any Supplier may be required to supply test bars and/or test coupons to be used to verify the supplier material certification. Strategic Sourcing/Supply Chain/Quality will advise the supplier in writing when this is required.
- 4.9. Identification and Labeling Requirements for Material Shipped to SAF-HOLLAND Facilities
 - 4.9.1.Identification shall permit traceability back to specific Supplier manufacturing and inspection records. Safety-related identification criteria shall conform, at minimum, to all legal and/or SAF-HOLLAND requirements. No exceptions to this requirement shall be permitted unless acknowledged in writing by a representative of the manufacturing facility receiving the material.
 - 4.9.2.The following labeling instructions apply for proper addressing of parts and materials shipped or delivered to SAF-HOLLAND locations. Material not in compliance with this requirement will be considered nonconforming. Suppliers must ensure that all parts and material are correctly labeled and that the labels are properly attached.
 - 4.9.2.1. AIAG Labeling Guideline
 - 4.9.2.1.1. The Automotive Industry Action Group's AIAG Trading Partners Labels. Implementation Guideline (B-10) provides instructions for printing and applying shipping/parts identification labels to improve productivity and controls at suppliers and SAF-HOLLAND locations.
 - 4.9.2.1.2. Barcode Symbology- Bar codes must be the 3-of-9 (Code 39) type as specified by the Automotive Industry Action Group (AIAG: B-10)
 - 4.9.2.2. Label Size and Materials
 - The required label size is 4 inches high by 6 inches wide. The label paper shall be white with bold, black printing. Adhesive labels can be pressure sensitive or dry gummed if adherence to the container is assured, application is wrinkle free, and only used for expendable packaging. Sample labels are in Appendix F.

4.9.2.3. Container Label

Identical labels should be located on two adjacent sides of each container. The upper edge of the label should be as high as possible on the container. A sample container label is located in Appendix F. For multiple containers on a pallet, a master label (see section 3.7.4) or a mixed load label (see section 3.7.5) should be visible.

4.9.2.4. Master Label

A Master Label shall be used to identify the total contents of a multiple single pack load of the same part number. See AIAG B-10 pages 18 and 23 for further information. A sample Master label is in Appendix G.

4.9.2.5. Mixed Load Label

Mixing of part numbers on a pallet is discouraged but may be unavoidable due to low order quantities and/or shipping/handling expense. In these limited circumstances, a Mixed Load Label shall be used to identify a load of multiple single packs of different part numbers. In a mixed load situation, individual box labels should be visible to the operator without disbanding the unit load. See AIAG B-10 pages 18 and 23 for further information.

A sample Mixed Load label is in Appendix H.

4.9.2.6. Destination Label

Each unit load must be identified with a properly addressed Destination Label directing the unit load to the exact shipping address of the receiving plant location. The Destination Label must be placed on the unit load where it can be easily seen and read. A sample Destination Label is in Appendix J.

4.10. *Product Packaging*

4.10.1. To ensure that the Supplier's products are transported in a manner that prevents damage, deterioration, etc., suppliers are responsible for maintaining written instructions, detailing proper packaging, storage, and shipping of its products that conform to the SAF-HOLLAND user plant's requirements.

4.10.2. The Supplier shall establish a system to ensure that goods and/or services are transported in a way that prevents damage, deterioration, etc. and must comply with all SAF-HOLLAND specifications.

4.10.3. Each container, rack, box, or pallet of material shipped to any SAF-HOLLAND plant shall be packaged and identified as defined in Appendix F. Material that does not meet these requirements will be classified as defective product.

4.11. *Delivery Performance Expectation*

4.11.1. The Supplier shall provide 100% conformance to the delivery requirements as specified by the purchase order. Costs incurred from delivery nonconformance shall be borne by the Supplier, see section COPQ of this document for information on administrative fees that may be imposed. When notified of a delivery nonconformance, a Supplier may be requested to provide a formal corrective action report.

4.12. *Sub-Supplier Control*

4.12.1. Each SAF-HOLLAND supplier is also responsible for the control and continuous improvement efforts of its suppliers. Sub-suppliers that furnish production goods and services must implement and document appropriate controls. Periodically, the Supplier shall review sub-supplier controls, quality management systems, and improvement plans.

4.12.1.1. SAF-HOLLAND suppliers shall require their suppliers to have a quality system in place.

4.12.1.2. SAF-HOLLAND reserves the right to visit sub-suppliers in conjunction with an agreement with the supplier.

4.13. Applicable Administrative Charges for Nonconformance

4.13.1. In addition to the costs of any nonconforming or defective material, a mandatory minimum charge to the Supplier may be imposed for the following:

4.13.2. Delayed Disposition of Nonconforming product (may be charged daily)

4.13.3. Deviation/concession requests

4.13.4. PPAP submission rejections or shipments of unapproved product

4.13.5. Delivery performance failures (in addition to any actual costs associated with the failure – may be charged daily)

4.13.6. However, other specific charges may be identified at the discretion of procurement and the plant Quality Manager. All charges will be captured through SAF-Holland's Supplier Recovery Process.

4.14. Deviation requests for continuous improvement proposals are encouraged and will incur no administrative charges. (See sample document Appendix B.)

5. Supplier Performance Rating for Material Supplied to SAF-HOLLAND Facilities

5.1. Supplier Performance Rating

5.1.1. Selected suppliers will be rated based on the quality of product (PPM) delivered to SAF-HOLLAND and the timeliness of those deliveries (on time delivery). A copy of the SAF-HOLLAND Supplier Performance is available through the SAF-HOLLAND Strategic Sourcing Department.

5.1.2. The quality and delivery ratings for a vendor will be combined (with the quality score weighted at 70% and the delivery at 30%) to arrive at the final grading system:

5.1.2.1. A (better than 80%)

5.1.2.2. B (50% to 80%)

5.1.2.3. C (unacceptable, at less than 50%).

5.1.2.4. D

5.1.2.5. E

5.1.3. Ratings are calculated quarterly or as needed unless a compelling reason to recalculate sooner occurs.

APPENDIX

6. APPENDIX A AIAG REFERENCE

THE FOLLOWING PUBLICATIONS ARE AVAILABLE FROM THE AUTOMOTIVE INDUSTRY ACTION GROUP (AIAG). THESE DOCUMENTS CONTAIN INFORMATION MANDATORY FOR SUPPLIERS TO SAF-HOLLAND.

- PRODUCTION PART APPROVAL PROCESS (PPAP)
- ADVANCED PRODUCT QUALITY PLANNING (APQP) AND CONTROL PLAN REFERENCE MANUAL
- POTENTIAL FAILURE MODES AND EFFECTS ANALYSIS (FMEA) REFERENCE MANUAL
- MEASUREMENT SYSTEMS ANALYSIS (MSA) REFERENCE MANUAL
- FUNDAMENTAL STATISTICAL PROCESS CONTROL REFERENCE MANUAL
- ISO/IATF 16949 MANUALS
- AUTOMOTIVE IDENTIFICATION/BAR CODING
- CQI-9 HEAT TREAT SYSTEMS ASSESSMENT
- CQI-11 PLATING SYSTEMS ASSESSMENT
- CQI-12 COATING SYSTEMS ASSESSMENT
- CQI-15 WELDING SYSTEMS ASSESSMENT
- CQI-17 SOLDERING SYSTEMS ASSESSMENT
- CQI-23, MOLDING SYSTEM ASSESSMENT
- CQI-27 CASTING SYSTEM ASSESSMENT
- CQI-29 BRAZING SYSTEM ASSESSMENT

Canada/United States

Automotive Industry Action Group (AIAG)
26200 Lahser Road, Suite 200
Southfield MI 48033-7100
USA

Telephone: (248) 358-3570/3003
Fax: (248) 358-3253

Mexico

Instituto Mexicano de Normalizacio Y
Certificacion A.C.
Manuel Maria Contreras No 133
Ler. Piso, Col. Cuauhtemoc. C.P. 06470
Mexico DF

Telephone: 52-5-546-4546
Fax: 52-5-566-4750

7. APPENDIX B SUPPLIER REQUEST CHANGE APPROVAL (SRCA)



SUPPLIER REQUEST CHANGE APPROVAL No.

| | | | | | |
|--|------------|---|---|---|--|
| PART/PROGRAM/EQUIPMENT NAME | | PART NUMBER(S) AFFECTED | | PART REVISION | |
| <i>(Attach additional pages if more space is needed)</i> | | | | | |
| SUPPLIER NAME: | | SUPPLIER ADDRESS: | | DEPARTMENT AND PLANT | |
| DATE | | | | | |
| SAF-HOLLAND PLANT(S) AFFECTED: | | | | | |
| Engineering (Internal Use) | | IS THIS CHANGE CORRECTING A PREVIOUS ACTION? | | CHANGE IS? | |
| <input type="checkbox"/> Deviation Required <input type="checkbox"/> ECN Required Quality Department (Internal User) | | <input type="checkbox"/> QNOTE <input type="checkbox"/> DEVIATION <input type="checkbox"/> OTHER | | <input type="checkbox"/> PRODUCT <input type="checkbox"/> PROCESS <input type="checkbox"/> PACKAGING | |
| A FILLABLE VERSION OF THIS DOCUMENT IS AVAILABLE VIA THE SAFHOLLAND SUPPLIER PORTAL>DOWNLOADS PAGE>SEARCH "SUPPLIER REQUEST" or click Below: DOWNLOAD CENTER: SAF-HOLLAND US (SAFHOLLAND.COM) | | | | | |
| REAS | | | | | |
| DESCRIPTION OF CHANGE: (Explain what you would like to do, e.g., "Move Machine, Change Source, Change Manufacturing Location, Change / Upgrade Equipment, Use an additional Line/Cell/Press") | | | | | |
| TIME REQUIRED TO IMPLEMENT THE CHANGE (LEAD TIME): | | | | | |
| SUPPLIER SIGNATURE & DATE: | | | FINAL REQUEST DISPOSITION: <input type="checkbox"/> REQUEST ACCEPTED <input type="checkbox"/> REQUEST DENIED | | |
| FINAL APPROVAL | PRINT NAME | SIGNATURE | COMMENTS | | |
| ENGINEERING SUPERVISOR <input type="checkbox"/> APPROVED <input type="checkbox"/> REJECTED | | | | | |
| APPROVALS | PRINT NAME | SIGNATURE | COMMENTS | | |
| P&IC APPROVER <input type="checkbox"/> APPROVED <input type="checkbox"/> REJECTED <input type="checkbox"/> N/A <i>(required for all packaging changes)</i> | | | | | |
| CORPORATE QUALITY <input type="checkbox"/> APPROVED <input type="checkbox"/> REJECTED <input type="checkbox"/> N/A | | | | | |
| PLANT MANAGER <input type="checkbox"/> APPROVED <input type="checkbox"/> REJECTED | | | | | |
| PLANT QUALITY MANAGER <input type="checkbox"/> APPROVED <input type="checkbox"/> REJECTED | | | | | |
| ENGINEERING REVIEWER <input type="checkbox"/> APPROVED <input type="checkbox"/> REJECTED | | | | | |
| COMMODITY MANAGER <input type="checkbox"/> APPROVED <input type="checkbox"/> REJECTED | | | | | |

8. APPENDIX C SUGGESTED PPAP SAMPLE IDENTIFICATION TAG

(Company Name)

PPAP Sample Enclosed

(Specific facility and address)

Supplier: _____

Part Number: _____

EC#: _____

Attention: _____

Quality Engineer

9. APPENDIX D PART SUBMISSION DOCUMENT (PSW)



Part Submission Warrant (PPAP)

Part Name _____ Part Number _____

Safety and/or Government Regulation Yes No Engineering Drawing Change Level _____ Dated _____

Additional Engineering Changes _____ Dated _____

Shown on Drawing No. _____ Purchase Order No. _____ Weight _____

Checking Aid No. _____ Engineering Change Level _____ Dated _____

SUPPLIER MANUFACTURING INFORMATION

SAF HOLLAND SUBMISSION INFORMATION

Supplier Name _____ Supplier Code _____

Dimensional Materials/Functional Appearance

Street Address _____

Customer Name/Division _____

Buyer/Buyer Code _____

City/State/Postal Code _____

Download a Fillable Version @ Supplier Portal, click the think below:

MATERIAL REPORTING
 Are plastic parts identified with appropriate markings?
 Is regrind used within product content?
 Does this part contain any restricted substances?
 Has customer-required Substances of Concern (SOC) been identified?
 IMDS Supplier Company ID: _____

[Download center: SAF-HOLLAND US \(safholland.com\)](http://safholland.com)

REASON FOR SUBMISSION

- Initial Submission
- Engineering Change(s)
- Tooling: Transfer, Replacement, Refurbishment, or Additional
- Correction Of Discrepancy
- Tooling Inactive > than 1 year
- Other - please specify _____
- Change to Optional Construction or Material
- Sub-Supplier or Material Source Change
- Change in Part Processing
- Parts Produced at Additional Location
- Machine: Move, Transfer, Replacement, Refurbishment, or Additional

More Detailed description for reason for PPAP: _____

REQUESTED SUBMISSION LEVEL (Check one)

- Level 1 - Warrant only (and for designated appearance items Appearance Approval Report) submitted to customer
- Level 2 - Warrant, with product samples and limited supporting data submitted to customer
- Level 3 - Warrant, with product samples and complete supporting data submitted to customer
- Level 4 - Warrant and other requirements as defined by customer [1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19]
- Level 5 - Warrant, with product samples and complete supporting data reviewed at manufacturing location

SUBMISSION RESULTS

The results for dimensional measurements material and functional tests appearance criteria statistical process package

These results meet all drawing and specification requirements: Yes No (If "NO" - Explanation Required)

Mold / Cavity / Production Process: _____

DECLARATION

I hereby affirm the samples represented by this warrant are representative of parts made by the process herein that meets all AIAG Production Part Approval Process Manual 4th Edition, and SAF Holland Requirements. I further affirm these samples were produced at the production rate of ____/____ hours. I also certify that documented evidence of such compliance is on file and available for review. Any deviations from the declaration are noted into deviation report attached.

EXPLANATION/COMMENTS: _____

Is there a photo of the Customer Tooling, properly tagged and numbered, in the PPAP Package? N/A Yes No _____

Print Name _____ Title _____ Phone No. _____

Supplier Authorized Signature _____ Date _____

FOR CUSTOMER USE ONLY

Part Disposition Approved Interim Valid until _____ Rejected

Part Functional Approval Approved Waived

Customer Name: _____ Customer Signature: _____ Date: _____

10. APPENDIX E DIMENSIONAL LAYOUT REPORT

Dimensional Layout Report

| | | |
|-----------------------|-------------|-------------------|
| Supplier Name/Number: | SAF Part #: | Part Rev. Level: |
| | | |
| Tested by: | Part Name: | Supplier Phone #: |
| | | |

| Balloon # | Dimensional Description | Specification | | Type of Gage | Measurement Readings: | | | | | | Ok/ | |
|-----------|-------------------------|---------------|-------------|--------------|-----------------------|---|---|---|---|---|--------|--|
| | | Upper Limit | Lower Limit | | 1 | 2 | 3 | 4 | 5 | 6 | Not Ok | |
| | | | | | | | | | | | | |
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| | | |
|------------|--------|-------|
| Signature: | Title: | Date: |
|------------|--------|-------|

11. APPENDIX F CONTAINER LABEL









Packaging and Shipping (Container) Label Detailed Outline

Part Number
 Block Title = PART #
 CUST (P)
 Data = The Part Number as designated by SAF-HOLLAND.
 Data Identifier (DI) = P
 Maximum Length = 19 (1 character DI + 18 alphanumeric characters)

Quantity of Pieces
 Block Title = QTY
 (Q)
 Data = The number of pieces in this shipping box.
 Data Identifier (DI) = Q
 Maximum Length = 7 (1 character DI + 6 characters)
 Note: Unit of measure assumed as EACH. Any other unit of measure must be readable next to barcode.

Supplier Identification
 Block Title = SUPLR ID CUST
 ASGN (V)
 Data = The Supplier Code assigned your company by SAF-HOLLAND.
 Data Identifier (DI) = V
 Maximum Length = 8 (1 character DI + 7 alphanumeric characters)

Serial Number
 Block Title = SHIPMENT
 ID (2S)
 Data = Supplier assigned unique shipper identification (SID#).
 Data Identifier (DI) = 2S
 Maximum Length = 22 (2 characters DI + 20 alphanumeric characters)

| | | |
|--|---|--|
| PART # CUST (P) ABDCEFGHIJKLM1234567  | | |
| QTY (Q) 100  | PART NUMBER DESCRIPTION LT HAND SNGL MUFFLER BEARING | |
| SUPLR ID CUST ASGN (V) 12345AB  | PO# (K) 5000123456  | LINE # (4K) 00010  |
| SHIPMENT ID (2S) 537279297373963819  | | SHIP FROM ACME PARTS SUPPLIER 12345 Street City, State ZIP (888)555-1212 |

Labeling Instructions
 Label Color = Paper shall be white with bold black printing.
 Label Location = Attached to two adjacent sides of shipping box.
 Label Size = Height 4" by Width 6".
 For further instructions, see the AIAG B-10 Guideline.

Part Number Description
 Block Title = PART NUMBER
 DESCRIPTION
 Data = Part description as defined by SAF-HOLLAND. Include Rev and Engineering Revision Letter in upper right corner.
 Text Height = Minimum 3 LPB
 Maximum Length = Maximum 2 lines of text, no more than 15 characters per line.

Line Number
 Block Title = LINE #
 (4K)
 Data = The line number of the part on the Purchase Order assigned by SAF-HOLLAND.
 Data Identifier (DI) = 4K
 Maximum Length = 7 (2 characters DI + 5 characters)

Supplier Information
 Block Title = SHIP FROM
 Data = Name, Address and Telephone Number of supplier to be used for problems or questions.
 Text Height = Minimum 6 LPB
 Maximum Length = Maximum 5 lines of text, no more than 25 characters per line.

Purchase Order Number
 Block Title = PO #
 (K)
 Data = The purchase order number for the part, assigned by SAF-HOLLAND.
 Data Identifier (DI) = K
 Maximum Length = 11 (1 character DI + 10 alphanumeric characters)

NOTE: NOT TO SCALE.
 For correct measurements, see the AIAG B-10 Guideline.

12. APPENDIX G MASTER LABEL









Master Label Detailed Outline

Master Label
 Block Title = None
 Data = MASTER LABEL
 Text Height = Minimum 1 LPB
 Maximum Length = Maximum 1 line of text, no more than 12 characters.

Part Number
 Block Title = PART #
 CUST (P)
 Data = The Part Number as designated by SAF-HOLLAND for all multiple single packs in unit load.
 Data Identifier (DI) = P
 Maximum Length = 19 (1 character DI + 18 alphanumeric characters)

Quantity of Pieces
 Block Title = QTY
 (Q)
 Data = The total multiple pack quantity in unit load.
 Data Identifier (DI) = Q
 Maximum Length = 7 (1 character DI + 6 characters)

Supplier Identification
 Block Title = SUPLR ID CUST
 ASGN (V)
 Data = The Supplier Code assigned your company by SAF-HOLLAND.
 Data Identifier (DI) = V
 Maximum Length = 8 (1 character DI + 7 alphanumeric characters)

| | | |
|---|---|--|
| <h1>MASTER LABEL</h1> | | |
| PART # CUSP (P) ABDCEFGHIJKLM1234567  | | |
| QTY (Q) 100  | PART NUMBER DESCRIPTION LT HAND SNGL MUFFLER BEARING | REV A |
| SUPLR ID CUST ASGN (V) 12345AB  | PO# (K) 5000123456  | LINE # (4K) 00010  |
| SHIPMENT ID (2S) 537279297373963819  | | SHIP FROM ACME PARTS SUPPLIER 12345 Street City, State ZIP (888)555-1212 |

Labeling Instructions
 Label Color = Paper shall be white with bold black printing.
 Label Location = Attached to two adjacent sides of a unit load to identify total contents of a multiple single pack unit load. Adhere outside of shrink wrap.
 Label Size = Height 4" by Width 6".
 For further instructions, see the AIAG B-10 Guideline.

Part Number Description
 Block Title = PART NUMBER
 DESCRIPTION
 Data = Part description as defined by SAF-HOLLAND. Include Rev and Engineering Revision Letter in upper right corner.
 Text Height = Minimum 3 LPB
 Maximum Length = Maximum 2 lines of text, no more than 15 characters per line.

Line Number
 Block Title = LINE #
 (4K)
 Data = The line number of the part on the Purchase Order assigned by SAF-HOLLAND.
 Data Identifier (DI) = 4K
 Maximum Length = 7 (2 characters DI + 5 characters)

Serial Number
 Block Title = SHIPMENT
 ID (2S)
 Data = Supplier assigned unique shipper identification (SID#).
 Data Identifier (DI) = 2S
 Maximum Length = 22 (2 characters DI + 20 alphanumeric characters)

NOTE: NOT TO SCALE.
 For correct measurements, see the AIAG B-10 Guideline.

Purchase Order Number
 Block Title = PO #
 (K)
 Data = The purchase order number for the part, assigned by SAF-HOLLAND.
 Data Identifier (DI) = K
 Maximum Length = 11 (1 character DI + 10 alphanumeric characters)

Supplier Information
 Block Title = SHIP FROM
 Data = Name, Address and Telephone Number of supplier to be used for problems or questions.
 Text Height = Minimum 6 LPB
 Maximum Length = Maximum 5 lines of text, no more than 25 characters per line.

13. APPENDIX H MIXED LOAD LABEL





Mixed Load Label Detailed Outline

Mixed Label
 Block Title = None
 Data = MIXED LOAD
 Text Height = Minimum 1LPB
 Maximum Length = Maximum 1 line of text, no more than 10 characters.

Supplier Identification
 Block Title = SUPLR ID CUST ASGN (V)
 Data = The Supplier Code assigned your company by SAF-HOLLAND.
 Data Identifier (DI) = V
 Maximum Length = 8 (1 character DI + 7 alphanumeric characters)

Serial Number
 Block Title = SHIPMENT ID (2S)
 Data = Supplier assigned unique shipper identification (SID#).
 Data Identifier (DI) = 2S
 Maximum Length = 22 (2 characters DI + 20 alphanumeric characters)

| | |
|---|---|
| <h1>MIXED LOAD</h1> | |
| SUPLR ID CUST ASGN (V) | 12345AB |
|  | |
| SHIPMENT ID (2S) | 537279297373963819 |
|  | |
| SHIP FROM | ACME PARTS SUPPLIER 12345 Street City, State ZIP (888)555-1212 |

Labeling Instructions
 Label Color = Paper shall be white
 with bold black printing.
 Label Location = Attach to two adjacent sides of a unit load to identify a multiple single pack unit. load of different part numbers.
 Adhere outside of stretch wrap.
 Label Size = Height 4" by Width 6".
 For further instructions, see the AIAG B-10 Guideline.

NOTE: NOT TO SCALE.
 For correct measurements, see the AIAG B-10 Guideline.

Supplier Information
 Block Title = SHIP FROM
 Data = Name, Address and Telephone Number of supplier to be used for problems or questions.
 Text Height = Minimum 6 LPB
 Maximum Length = Maximum 5 lines of text, no more than 25 characters per line.

14. Appendix I Destination Label

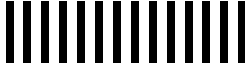



Mixed Load Label Detailed Outline

Mixed Label
 Block Title = None
 Data = MIXED LOAD
 Text Height = Minimum 1LPB
 Maximum Length = Maximum 1 line of text, no more than 10 characters.

Supplier Identification
 Block Title = SUPLR ID CUST ASGN (V)
 Data = The Supplier Code assigned your company by SAF-HOLLAND.
 Data Identifier (DI) = V
 Maximum Length = 8 (1 character DI + 7 alphanumeric characters)

Serial Number
 Block Title = SHIPMENT ID (2S)
 Data = Supplier assigned unique shipper identification (SID#).
 Data Identifier (DI) = 2S
 Maximum Length = 22 (2 characters DI + 20 alphanumeric characters)

| | |
|---|---|
| <h1>MIXED LOAD</h1> | |
| SUPLR ID CUST ASGN (V) | 12345AB |
|  | |
| SHIPMENT ID (2S) | 537279297373963819 |
|  | |
| SHIP FROM | ACME PARTS SUPPLIER 12345 Street City, State ZIP (888)555-1212 |

Labeling Instructions
 Label Color = Paper shall be white with bold black printing.
 Label Location = Attach to two adjacent sides of a unit load to identify a multiple single pack unit load of different part numbers.
 Adhere outside of stretch wrap. Label Size = Height 4" by Width 6".
 For further instructions, see the AIAG B-10 Guideline.

NOTE: NOT TO SCALE.
 For correct measurements, see the AIAG B-10 Guideline.

Supplier Information
 Block Title = SHIP FROM
 Data = Name, Address and Telephone Number of supplier to be used for problems or questions.
 Text Height = Minimum 6 LPB
 Maximum Length = Maximum 5 lines of text, no more than 25 characters per line.