

Metal & Wire Products Company



Supplier Manual

Guide to doing Business with Metal & Wire
Products Company

Monica Wrann



2010

Contents

1. Metal and Wire Products Quality Policy	3
2. Scope	3
3. Facilities	3
4. Web Site	3
5. Supplier Quality System Requirements	3
6. Confidential Information Agreement	4
7. Terms & Conditions	4
8. Requests for Quotation	4
9. Approved Supplier List	5
10. Detailed Prints	5
11. Purchase Orders – Order Method	5
12. Invoicing	7
13. Delivery Terms	8
14. Payment Terms	8
15. Payment for Production Tooling	8
16. Ownership and control of Production Tooling	8
17. Tooling Timeline	9
18. ISO 14001	9
19. Labeling	9
20. Ship to Locations	10
21. Receiving Hours	10
22. On-Time Delivery	10
23. Material Packaging Specifications	11
Packing Slips	11
25. Over & Under Shipment	12
26. Material Safety Data Sheets (MSDS)	12
27. Material Certifications	12
28. Default PPAP Level	12
29. When to Submit a PPAP	12
30. PPAP Requirements & Submissions	13
31. Supplier Performance Monitoring	13
32. Supplier DMR Charge Backs	15
33. Process Audits of Suppliers	16

1. Metal and Wire Products Quality Policy

1.1 Metal and Wire Products Company is committed to continually improving our processes, associates and organization to provide our customer with the best quality finished product for the lowest possible price in the fastest time, repeatedly.

2. Scope

2.1 This manual summarizes the requirements and expectations that Metal and Wire Products Company, Inc. has for its suppliers.

3. Facilities

Metal and Wire Products <u>Corporate Plant 1</u> 1065 Salem Pkwy Salem, Ohio 44460 Phone: 330.332.9448 Fax: 330.332.9404	Metal and Wire Products <u>Plant 2</u> 1239 Salem Pkwy Salem, Ohio 44460 Phone: 330.337.1860	Metal and Wire Products <u>Plant 3</u> 1307 Salem Pkwy Salem, Ohio 44460 Phone: 330.332.2824 Quality: 330.332.9428	Metal and Wire Products <u>Mid-Carolina Finishing</u> 300 Tillessen Blvd Ridgeway, SC 2913 Phone: 803.337.3413 Fax: 803.337.3288
---	--	---	---

4. Web Site

4.1 Metal and Wire Products Company, Inc. Internet web site is: www.metalandwire.com

5. Supplier Quality System Requirements

5.1 Metal and Wire Products Company, Inc. will initially approve the supplier’s quality systems if they meet at least on of the following conditions:

- Suppliers that are third party registered to ISO 90001:2000 or TS16949
- Suppliers mandated by Metal and Wire Products Company, Inc. customer for only material specified for their particular product.
- Supplier is also Metal and Wire Products customer
- Metal and Wire Product’s customer waives third party registration requirements in writing.

5.2 When Metal and Wire Products company, Inc. customer waives third party registration, the supplier shall have a quality system in place that is in compliance to the fundamentals of ISO 9001:2000. Metal and Wire Products company, Inc. will perform an onsite quality system assessment based on ISO 9001:2000.

5.3 Suppliers with initial acceptable quality system will not be assessed on an annual basis.

5.4 Suppliers with initial unacceptable quality system assessments will be expected to supply a corrective actions plan based upon the discrepancies found. Annual quality system assessments may be performed as follow-up to initial discrepancies found and/or if supplier’s performance deteriorates.

5.5 Each supplier must provide a copy of its most recent registration certificate to the Metal and Wire Products Company, Inc. It is also the responsibility of the supplier to send copies of updated certificates if they expire.

5.6 Each supplier must complete Supplier Quality Evaluation Questionnaire.

- 5.7 Supplier may be required to maintain a current Certificate of Insurance.
- 5.8 If a supplier loses its third party registration certification, Metal and Wire Products Company, Inc. must be notified immediately.

6. Confidential Information Agreement

- 6.1 Seller shall consider all information furnished by Purchaser to be confidential and shall not disclose any such information to any other person, or use such information itself for any purpose other than performing this contract, unless Seller obtains written permission from Purchaser to do so. This paragraph shall apply to drawings, specifications, or other documents prepared by Seller for Purchaser in connection with orders. Seller shall not advertise or publish the fact that Purchaser has contracted to purchase goods from Seller, nor shall any information relating to the order be disclosed without Purchaser's written permission. Unless otherwise agreed in writing, no commercial, financial or technical information disclose in any manner or at any time by Seller to Purchaser shall be deemed secret or confidential and Seller shall have no right against Purchaser with respect thereto except such rights as may exist under patent laws.

7. Terms & Conditions

- 7.1 Each Metal and Wire Products purchase order is governed by Metal and Wire Product's Terms & Conditions. The Terms & Conditions are listed under section #11 Purchase Orders of this manual.
- 7.2 It is the supplier's responsibility to obtain and review this information.

Purchasing Requirements

8. Requests for Quotation

- 8.1 Metal and Wire Products will typically notify the supplier with a Request for Quote (RFQ) via fax or as an email. The supplier must complete the RFQ completely and return it via fax, email or in person to the Buyer.
- 8.2 It is critical that RFQ's be returned to Metal and Wire Products on time. Late responses may not be accepted.
- 8.3 Annual volumes listed on the RFQ are estimates only. These estimates are provided for informational purposes only and are based on a number of economic and business factors, some or all of which may change over time.
- 8.4 Drawings, prints, technical specifications or CAD data may be provided to you with the RFQ. This information is considered confidential.
- 8.5 Mechanical and Chemical properties are required with all production material. All material specifications requested on an RFQ can be viewed on our website www.metalandwire.com. It is the supplier's responsibility to verify material will pass inspection prior to submitting RFQ.

9. Approved Supplier List

- 9.1 Metal and Wire maintains an Approved Supplier List (ASL). Only those companies on the ASL may provide production materials to Metal and Wire Products.
- 9.2 Suppliers are approved based upon the following criteria:
- Quality system compliance
 - Competitive Pricing
 - Delivery performance consistently on time
 - Competitive PPM Rates
- 9.3 Approved suppliers are assigned a number and added to the ASL. The approval and supplier number will be communicated via email. Supplier performance is tracked and available for review on the company website. Performance information is listed by supplier number in the 'Quarterly Performance Report'.

10. Detailed Prints

- 10.1 Metal and Wire Products provides its suppliers with detailed component drawings and product structures/bill of material where necessary.
- 10.2 Metal and Wire Products can most often provide the supplier with Detailed Prints for components and tooling.

11. Purchase Orders – Order Method

- 11.1 Metal and Wire Products issues either a regular purchase order or a blanket purchase order for all purchases. Purchasing information will describe the product to be purchased, including where appropriate, requirements for approval for product, procedures and equipment, requirements for qualification of personnel, and quality management requirements. Metal and Wire Products will also ensure the adequacy of specified purchase requirements prior to communicating to the supplier.
- 11.2 Regular purchase orders will be issued on an as needed basis for material and music purchases. These purchase orders are issued for a variety of items, including pre-production builds, tooling, design, fixtures, etc. They will specify a price, and exact quantity required, deliver date and material tolerances.
- 11.3 Blanket purchase orders outlining yearly forecast needs are issued annually and will be supported by individual material releases as required. These purchase orders are issued generally for production materials. These purchase orders detail a price, and an estimated yearly forecast. Metal and Wire Products, issues material releases to the suppliers against these blanket purchase orders. These material releases list quantities and delivery dates the parts should be shipped to Metal and Wire Products per the releases against a blanket PO.
- 11.4 Purchase orders for production materials will be faxed or emailed.
- 11.5 Suppliers may be responsible for providing acknowledgement and notifying the buyer if they cannot meet the requirements.
- 11.6 All Metal and Wire purchase orders, regular and blanket, are governed by Metal and Wire Products terms and conditions.
- 11.7 Acceptance. This purchase order may be accepted only on the terms and conditions stated hereof. Seller's written acceptance of the commencement of any work, performance of any services, or the shipment of goods hereunder by Seller shall constitute acceptance of this returned the acceptance copy hereof.

- 11.8 Prices. The prices shown on the face hereof shall be the total price payable by Purchaser for the goods and/or services shown thereon, and no charge shall be made by Seller for packing, freight, taxes, storage or other extra charges, unless and only to the extent that same has been agreed by Purchaser.
- 11.9 Advance Ship Notices. ASN's may be required for deliveries for parts and material. Suppliers are to submit via fax or email the day of the shipment. Deliveries may not be accepted unless Metal and Wire Products have an ASN prior to shipment arriving at our dock.
- 11.10 Deliveries. Deliveries are to be made at Purchaser's plants in Ohio unless otherwise designated. Time is of the essence. Deliveries shall be made only at the times and in the quantities and manner specified on schedules furnished by Purchaser. Purchaser will have no liability for payment for material or items delivered to Purchaser which are in the excess of quantities specified in the delivery schedules, and the Seller has no authority to fabricate raw material releases. Purchaser may from time to time change or temporarily suspend shipping schedules, change means of transportation or otherwise temporarily suspend Seller's performance hereunder, by notifying seller a reasonable time in advance. Seller shall pay whatever additional costs, expenses, consequential losses or damages Purchaser sustains due to Seller's untimely delivery. Seller shall mail invoice with packing list and bill of lading or express receipt on day of shipment. Purchaser will not receive material unless it is tagged or marked with Purchaser's part number and quantity on each package. Packing slips should be enclosed with all shipments, showing order number, part number and quantity. Mechanical and Chemical Certifications must accompany all production material shipments.
- 11.11 Warranties. All goods supplied and/or performed pursuant to this Purchase Order shall be delivered to conform with all applicable drawings, specifications, descriptions and samples furnished to or supplied by Purchaser, shall be free from defects in material or workmanship, patent and latent and shall be of merchantable quality and fit for the intended purpose within the meaning of the Uniform Commercial Code. There shall be no exclusion from Seller's liability for incidental and consequential damages on account of failure of Seller's goods or work to conform to the above warranties.
- 11.12 Remedies. Nothing herein shall exclude any other rights or remedies to which Purchaser is otherwise entitled by law. Seller shall pay all costs, including reasonable attorney's fees incurred by Purchaser in enforcing the terms of this Purchase Order.
- 11.13 Inspections. All goods and/or work, supplied hereunder shall be subject to Purchaser's rights of inspection and rejection. Rejected materials shall be held for Seller's instruction and at Seller's risk and if requested by Seller, shall be returned for credit or refund at Seller's expense. Purchaser reserves the right upon request to inspect the material on Seller's premises or allow inspection by Purchaser's customer. Purchaser shall have the right to make use of defective material in such manner as it deems advisable when necessary to meet Purchaser's contractual obligations to its customers, without waiving any right or remedy which Purchaser may have with respect to such materials. Payment prior to inspection shall not be deemed a waiver or Purchaser's right to inspect and reject or revoke acceptance. Neither inspection, testing, Acceptance nor use of material (or the absence thereof) shall be deemed a waiver of Purchaser's right to revoke acceptance with respect to goods containing latent defect. All Purchasers' actions shall be consistent with Metal and Wire Products Co., Inc., Supplier Manual and Seller agrees to comply with requirements found in the latest revision level of the Supplier Manual.
- 11.14 Cancellation. Purchaser reserves the right by written notice to the seller at any time prior to delivery to cancel this order, in whole or in part without cause. Any claims on account of cancellation must be submitted by Seller within thirty (30) days of the date of the notice of cancellation and must be supported by cost data in such form and detail as may reasonably be required by Purchaser.

- 11.15 Drawings and Tools. All drawings, specifications, tools, dies, jigs, and special fixtures or other property furnished, paid for by, or charged to Purchaser shall be the property of Purchaser and Seller shall not employ the same for its own benefit or the benefit of others without Purchaser's prior written consent. Seller shall promptly deliver same to Purchaser upon demand in good condition, ordinary wear and tear excepted.
- 11.16 Compliance with Laws. Seller represents and warrants that all goods supplied and/or services performed hereunder shall be manufactured, transported/delivered and performed in compliance with all applicable Federal, State and local statutes, ordinances, and regulations, as amended from time to time, including, without limitations, the Fair Labor Standards Act, the Occupational Safety and Health Act, The Vietnam Era Veterans Readjustment Act, the Rehabilitation Act of 1973, and all statutes, executive orders, and regulations relative to equal employment opportunity and product safety, Seller specifically agrees not to discriminate against any employee or applicant for employment based on race, color, religion, sex, age, or national origin.
- 11.17 Patents. Seller shall indemnify Purchaser and its customers against and hold harmless from all demands, claims, suits, liabilities, damages, judgments, costs, and expenses including attorney's fees resulting from any alleged infringement of any United States or foreign patent with respect to the goods or work supplied hereunder.
- 11.18 Causes beyond Purchaser's Control. This Purchase Order is subject to modification or cancellation by Purchaser in the events of fires, accidents, strikes, labor disputes, government acts, or any other conditions, whether of the class of causes enumerated above or otherwise beyond Purchaser's control. In such event, Purchaser shall have no obligation or liability of any kind to Seller on account of such cancellation or modification.
- 11.19 Governing Law. This Purchase order shall be governed by and interpreted in accordance with the laws of the State of Ohio. "Seller agrees to provide all information necessary for Buyer to comply with all applicable laws regulations and related legal reporting obligations in the country (ies) of destination. Seller agrees to provide all documentation and/or electronic transaction records to allow Buyer to meet Custom-related obligations, any local content/origin requirements and to obtain all Tariff and Trade program duty avoidances(s) and/or refund benefits, where applicable. Seller agrees to comply with the Automotive Industry Actions Group's (AIAG) document and EDI protocol and standards in their Supplier Information Kit for U.S., Canada and Mexico imports. Seller agrees to assume and to indemnify Buyer against any and all financial responsibility arising from Seller's failure to comply with these requirements and/or to supply Buyer with the information required to meet legal reporting obligations, including, without limitation, any fines, penalties, forfeitures or council fees incurred or imposed as a result of action taken by the importing country's governments.

12. Invoicing

12.1 Invoices for all purchase orders should be mailed to:

Metal and Wire Products Co., Inc.
Attn: Accounts Payable
1065 Salem Parkway
Salem, Ohio 44460

12.2 The following information should be included on all invoices:

- Date
- Invoice number
- Packing slip or Bill of Lading number
- Purchase order number
- Release number
- Pricing per unit of measure
- Part number
- Quantity shipped
- Remit to address
- Subtotal before taxes and freight
- Final total

12.3 Purchase Orders are to be billed per invoice. Invoices detailing more than one purchase will be rejected and returned to supplier for correction. Terms begin on the date of the new invoice

12.4 Metal and Wire Products request all invoices to be sent via mail. Any invoice that is transmitted via facsimile or electronically may delay payment.

12.5 Incomplete or inaccurate invoices will delay payment.

13. Delivery Terms

13.1 Metal and Wire Products Co., Inc. delivery terms with domestic and international suppliers are as stated on the purchase order.

14. Payment Terms

14.1 Metal and Wire Products Co., Inc., pays by invoice date: payment terms begin on the date of the invoice and not on the supplier's shipment date. If supplier invoices before the shipment has been sent, then the invoice is returned to the supplier and the supplier must resubmit the invoice after the shipment is made.

14.2 Metal and Wire Products Co., Inc. terms are Net 60.

14.3 Metal and Wire Products Co., Inc., payment terms are subject to change.

15. Payment for Production Tooling

15.1 Tooling invoices will only be submitted for payment on approval of a Full PPSP, I.S.I.R., or Sample submission. Payment terms are negotiable and may depend on reimbursement terms from the final customer.

16. Ownership and control of Production Tooling

16.1 Any tooling, gages, fixtures, or equipment at a supplier, which have been paid for by Metal and Wire Products Co., Inc., may also have been reimbursed for tooling, gages, fixtures, or equipment and therefore may also be the property of a Metal and Wire Products Co., Inc., customer.

16.2 No Metal and Wire Products Co., Inc., controlled or owned tooling shall be scrapped, sold, altered, or moved without the written permission of Metal and Wire Products Co., Inc., purchasing.

16.3 All Metal and Wire Products Co., Inc., owned and controlled tooling located on suppliers' premises must be identified with a tag stating it is "Property of Metal and Wire Products Co., Inc." , or "Property of " final manufacturer.

- 16.4 Tooling controlled by the Supplier: If another customer requests a change to the common tooling that produces the parts for Metal and Wire Products Co., Inc., then this change shall be treated as an engineering change. The supplier shall seek Metal and Wire Products Co., Inc., approval prior to the change. Metal and Wire Products Co., Inc. must get its customer's approval for the change. The supplier must PPAP the change to Metal and Wire Products Co., Inc., Metal and Wire Products Co., Inc.
- 16.5 Tooling controlled by Metal and Wire Products Co., Inc.: The supplier may not produce product off of, or provide any form of information about the tooling to another supplier without the written consent of Metal and Wire Products Co., Inc., Purchasing.
- 16.6 This tooling may be owned by another customer of the supplier or a common customer to both the supplier and Metal and Wire Products Co., Inc. If there is a requested change to the part the tooling produces, the supplier must notify Metal and Wire Products Co., Inc. This would serve to notify Metal and Wire Products Co., Inc., of the change to allow us to contact our customer to obtain approval for this change, or to allow Metal and Wire Products Co., Inc., to source this product elsewhere if customer approval is withheld.
- 16.7 All suppliers with tooling controlled by Metal and Wire Products Co., Inc., or a Metal and Wire Products Co., Inc., Customer must adequately maintain, protect, and provide information on the tooling when requested. All suppliers with tooling controlled by Metal and Wire Products Co., Inc., or a Metal and Wire Products Co., Inc., Customer must supply on an annual basis a tool inventory matrix. This matrix should include the tool number, ownership, general condition, when it arrived, what part it produces, production status, tool description, and any other pertinent information.

17. Tooling Timeline

- 17.1 The supplier must submit a tooling timeline to Metal and Wire Products Co., Inc., within 48 hours of receiving a purchase order for a new production part, tool, gage or fixture.
- 17.2 The supplier must submit a tooling timeline to Metal and Wire Products Co., Inc., biweekly after the initial submission and until the parts are PPAP'd or a tool, gage, or fixture is signed off and certified.

18. ISO 14001

- 18.1 Metal and Wire Products Co., Inc. encourages that all its suppliers pursue ISO-14001 compliance.

Materials Management Requirements

19. Labeling

- 19.1 All shipments of production purchased parts must have a printed label affixed to each container and be visible on the pallet lift truck side. This label shall contain the following information:
- Metal and Wire Products Part Number
 - Supplier Lot Number
 - Supplier Name
 - P.O. Number
 - Part Description
 - Quantity
- 19.2 All shipments of raw material must have one (1) of the same label as stated above securely attached to the product.
- 19.3 Suppliers may be expected to have a detailed written lot control/traceability system. Lot number determination is left up to the supplier. Lot control number shall provide traceability of material from the point of usage back to the point of manufacture and raw material. The system shall also have the ability to trace back to all inspection/test results for materials used for the lot. The system shall be based on first in first out (FIFO) stock control program.

19.4 Sample parts and/or engineering samples must be labeled with the following information:

- Metal and Wire Products Part Number
- Supplier Lot Number
- Supplier Name
- P.O. Number
- Part Description

19.5 Unless otherwise directed by Metal and Wire Products Co., Inc., the supplier shall be responsible for contacting and coordinating transportation for their goods to meet Metal and Wire Products Co., Inc., deliver requirements.

19.6 Metal and Wire Products Co., Inc., Purchasing Department may assign daily or weekly ship dates and times for suppliers. Suppliers are expected to ship according to these designated dates and times.

20. Ship to Locations

20.1 All shipments are to be sent to the address specified on the purchase order. The following are the ship to addresses for Metal and Wire Products production facilities

Metal and Wire Products <u>Corporate Plant 1</u> 1065 Salem Pkwy Salem, Ohio 44460 Phone: 330.332.9448 Fax: 330.332.9404	Metal and Wire Products <u>Plant 2</u> 1239 Salem Pkwy Salem, Ohio 44460 Phone: 330.337.1860	Metal and Wire Products <u>Plant 3</u> 1307 Salem Pkwy Salem, Ohio 44460 Phone: 330.332.2824 Quality: 330.332.9428	Metal and Wire Products <u>Mid-Carolina Finishing</u> 300 Tillessen Blvd Ridgeway, SC 2913 Phone: 803.337.3413 Fax: 803.337.3288
---	--	---	---

21. Receiving Hours

21.1 Metal and Wire Products Co., Inc., receiving docks are open Monday – Friday. Receiving hours vary per plant and are listed below. Receipts outside of the Receiving Department’s normal receiving hours require prior authorization.

- Plant #1 – receiving hours 6:00 a.m. to 2:30 p.m.
- Plant #2 – receiving hours 6:00 a.m. to 2:30 p.m.
- Plant #3 – receiving hours 6:00 a.m. to 2:30 p.m.
- South Carolina – receiving hours 7:00 a.m. to 3:30 p.m.

Receiving hours may vary and are subject to change.

22. On-Time Delivery

22.1 100% on-time delivery is required.

22.2 The supplier shall make deliveries on the dates, and at the times specified on the purchase order or the material releases or per the instructions of the Buyer.

22.3 Suppliers who are unable to meet all of their requirements for delivery date, time quantity, or quality must notify Metal and Wire Products Co., Inc., no later than 3 business days prior to the designated ship date.

22.4 If a supplier fails to meet this 100% on-time delivery requirement, and the delay is the fault of the supplier, then the supplier may be responsible for:

- Additional costs of any resulting expedited or other transportation
- Additional costs of any resulting production down-time at Metal and Wire Products Co., Inc., or at a Metal and Wire Products Co., Inc., customer.
- Additional costs of production overtime at Metal and Wire Products Co., Inc., and/or at Metal and Wire Product’s customer.

23. Material Packaging Specifications

Line #	1	2	3	4	5	6	7
Location	4526 Plant 2	4500 Plant 2	4463 Plant 2	4462 Plant 2	Sheets/Strips Plant 1	South Carolina	Wire Plant 1
Max Coil Weight	5000#	2500#	5000#	2500#	1500#	2500#	1000#
Max Coil OD	50"	42"	50"	42"	NA	42"	NA
Min Coil ID	20"	20"	20"	20"	NA	20"	NA
Max Skid Weight	5000#	5000#	5000#	5000#	1500#	2500#	1000#
Load	Side	Side	Side	Side	Side	Side	Side
Notes	Spacers required between coils	Spacers required between coils	Spacers required between coils	Spacers required between coils		Spacers required between coils	

23.1 Supplier may be required to meet special packaging requirements on incoming processed material.

24. Packing Slips

24.1A packing slip must accompany each shipment of product when it arrives at Metal and Wire Products Inc. The following information may be required to be listed on the packing slip:

- Metal and Wire Products co., Inc., part number
- Part description
- Lot number
- Purchase order number
- Release number
- Quantity shipped
- Unit of measure
- Ship to location
- Packing slip number
- Number of containers

25. Over & Under Shipment

25.1 Metal and Wire Products Co., Inc. will accept shipments of materials that vary from the release quantities of 10% over and under the purchase order release. All shipments exceeding 10% over the purchase order release must be approved by Metal and Wire Products Co., Inc., purchasing prior to shipment.

26. Material Safety Data Sheets (MSDS)

26.1 The Hazardous Communications Act, controlled under the W.H.M.I.S. (Workplace Hazardous Material Information System) requires proper labeling as well as Material Safety Data Sheets on all products covered under this act. It is the supplier's responsibility to provide MSDS with the initial shipment of product and to provide updates if changes are made to the product.

27. Material Certifications

27.1 Metal and Wire Products Co., Inc. will hold any delivery for lack of certifications. All material is ordered per specification and must be verified upon receipt with material certifications. Chemical and Mechanical properties are required as stated on the Purchase Order.

28. Default PPAP Level

28.1 Metal and Wire products Co., Inc., requires that its suppliers PPAP Production parts or production materials per the most recent Automotive Industry Action group (AIAG), Production Part Approval Process (PPAP) Manual. The default PPAP level for Metal and Wire Products Co., Inc., suppliers is Level 3. PPAP submission documentation submitted in the supplier's format will be acceptable as long as it meets the same criteria as the AIAG packet.

29. When to Submit a PPAP

29.1 Suppliers are required to submit a PPAP to Metal and Wire Products when the following occurs:

- The initial submission for new parts
- Re-submission due to rejection of first submission
- Engineering change
- The movement or transfer of existing tooling
- The addition or replacement or refurbishment of tooling or machinery
- Any change of a sub-supplier or source change
- Change in part processing
-

29.2 This list is not all-inclusive, when in question contact Metal and Wire Products Co., Inc., New Model Development representative to determine if an event or occurrence requires a PPAP submission.

30. PPAP Requirements & Submissions

- 30.1 It is the supplier's responsibility to ensure that the parts they make meet all print specifications prior to submission.
- 30.2 Metal and Wire Products has created a PPAP check list and is available by contacting the Supplier New Model representative. Suppliers are encouraged to obtain a copy of this list and use it as a reference when submitting a PPAP.
- 30.3 PPAP sample parts shall come from a production run of at least three hundred (300) pieces unless otherwise directed in writing by Metal and Wire Products Co., Inc.
- 30.4 Sample dimensional layout information (minimum of five (5) pieces) and ballooned print must be submitted.
- 30.5 Sample submission procedures shall apply to each mold, cavity, or station of multiple cavity tools, or from multiple station equipment.
- 30.6 A thirty (30) piece process capability analysis based upon an unbiased sample from the first mass production run may be required. Analysis should be performed on all dimensions with a restricted tolerance or otherwise deemed critical. Critical dimensions will be identified by Metal and Wire Products New Model Development prior to the run.
- 30.7 Suppliers may be required to submit the following items in a Prototype Sample Submission (unless otherwise directed in writing by Metal and Wire Products Co., Inc.):
- Part submission warrant
 - Ballooned print
 - Inspection results (100% dimensional layout on five (5) pieces). Parts should be numerically identified without affecting the appearance, finish, or function.
 - Process Quality Control Plan
 - Process FMEA
 - Process flow chart
 - Certification of raw material
 - Certification of Coating (including testing to illustrate compliance to customer engineering specification)
 - Process capability analysis on a thirty (30) piece sample (critical dimensions)
 - Gage R&R study

Supplier Performance

31. Supplier Performance Monitoring

- 31.1 Metal and Wire Products evaluates and tracks suppliers' delivery and quality performance based on an index system. Each issue is rated by importance or nuisance according to the Delivery and Quality Index Parameters.

Importance Index

A. 100 Index Points	Stops customer production
B. 50 Index Points	Stops Metal and Wire Products production
C. 10 Index Points	Causes Metal and Wire to change production schedule
I 0 Index Points	Supplier will receive an Informational corrective Action

Nuisance Index

N 1 Index Point	Deliver Issue was <i>not</i> communicated, but had no impact on Metal and Wire production.
NR. 0 Index Point	Delivery Issue was communicated, but had no impact on Metal and Wire production

Deliveries/Quality Issues may include, but not limited to:

- Label errors
- Mixed parts
- Early/Late shipments
- Paperwork errors and/or missing paperwork
- Packaging
- Late/Missing Corrective Action reports
- Poor paint quality

31.2 Supplier will be notified of any Important Index points via Corrective Action reports. Suppliers must respond to all CAR's within the time allotted.

31.3 Any charge backs that may be credited from supplier account as a result of one or more of the Important Index Points scale will be submitted on a Debit Memo Request (DMR). See details referenced in section 32 of this manual.

31.4 The supplier Delivery and Quality goal is "zero" importance points per quarter and ten (10) or less Nuisance points per quarter. If a supplier fails to reach the delivery or quality goal, supplier may be required to submit to Metal and Wire Products an 8D or equivalent corrective action report. The 8D corrective action must detail actions taken to contain, correct and prevent these violations from occurring in the future. See details referenced in section 33 of this manual.

31.5 Although Metal and Wire Products performs a quarterly review of its suppliers, Metal and Wire Products co., Inc., may at any time request an 8D corrective action to improve a supplier's performance.

31.6 It is highly likely that a supplier's excessive index points will result in Metal and Wire products performing a process audit at the supplier's facility.

31.7 If the supplier's index points continue to accrue or if even one violation is considered extremely serious, Metal and Wire Products reserves the right to remove the supplier from its Approved supplier List, terminate its contract with the supplier for cause, and move the business to another supplier.

31.8 Supplier will be notified at the end of each quarter when they can view their Supplier Performance Report. They will need to know your supplier number to read report.

31.9 If a supplier has had repeat quality and/or delivery issues they will be placed on Quality Hold. Supplier will be notified on a corrective action report of this change in status. This status will be maintained until Metal and Wire Product's Quality department has accepted the permanent countermeasure and the post shipment approved. It is the responsibility of the supplier to implement a temporary countermeasure immediately and contain all products at Metal and Wire Products as well as the supplier's facility. Supplier is required to clearly mark each temporary countermeasure shipment with the corrective action number as well as the first shipment of the permanent countermeasure.

32. Supplier DMR Charge Backs

32.1 The Supplier Quality Assurance representative will review the corrective action report and generate a DMR with any charges that will be the responsibility of the supplier.

32.2 Metal and Wire Products Co., Inc. may assess the supplier an administration fee of fifty dollars (\$50) for each DMR that is created. This fee covers the cost of investigating, creating, and processing each DMR which occurs. This amount will appear on the DMR and it will be debited from the supplier's account.

32.3 A supplier's defective material may cause scrap at Metal and Wire Products Co., Inc., Metal and Product's customer, customer returns, administrative fees from Metal and Wire Products Co., Inc., customers, sorting fees at Metal and Wire Products Co., Inc., or at its customer and production downtime at Metal and Wire Products Co., Inc., and its customers. These are all examples of costs of poor quality. If it is determined that a supplier's defective part(s) are the cause of additional costs, the supplier then shall have their account debited to cover these costs. The DMR document will reflect the actual costs to be debited.

32.4 Metal and Wire Products Co., Inc. has lean inventories as part of its operating system. Therefore, if supplier material is found to be defective, Metal and Wire Products Co., Inc., may allow the supplier to swap out defective parts with certified stock if time permits, may allow a supplier to sort the defective product at Metal and Wire Products Co., Inc., if time permits or contract third party to sort. However, due to our lean inventory levels, Metal and Wire Products Co., Inc., reserves the right to commence rework or sorting at its facility at a fee of thirty-five (\$35.00) US per hour per employee. Additional charges may be levied for production down time and gage procurement for sorting, etc.

32.5 If the supplier's defective material causes Metal and Wire Products Co., Inc., to build scrap-finished goods or work in process, then cost of the finished goods or in-process will be debited from the supplier's next payment. If the supplier's defective material causes Metal and Wire Products Co., Inc., customer to scrap or rework its products, then the costs of those scrapped or reworked products may be debited from the supplier's next payment. If the supplier's defective material causes Metal and Wire Products customer to issue a debit to Metal and Wire Products Co., Inc., then this amount will be debited from the supplier's next payment. This includes the costs of sorts conducted by our customer at their location and any fines or administration costs that they impose. If Metal and Wire Products Co., Inc., personnel are required to travel to a customer location relating to a supplier's defective material, then all travel expenses relating to the trip may be debited from the supplier's next payment. These examples are not all inclusive and metal and Wire Products Co., Inc., reserves the right to debit all costs associated with one of its suppliers providing it with defective material.

32.6 In the event the non-conforming material cannot be reworked or sorted it will be placed in Metal and Wire Products Quality Hold for a period ten (10) business days for supplier to arrange transportation. After this allotted amount of time, the material will be considered property of Metal and Wire Products and will be scrapped.

32.7 After repetitive attempts to correct non-conforming material and/or subcontractor operation. It may be determined that the quality of the part is compromised and supplier may be debited for cost of the finished part price.

32.8 The supplier has the right to appeal a debit that it receives. Appeals should be made in writing and sent through your buyer. An executive team of managers at Metal and Wire Products Co., Inc. will make final determination of the appeal.

33. Process Audits of Suppliers

33.1 Metal and Wire Products Co., Inc., reserves the right to audit its suppliers facilities at any time. Metal and Wire Products Co., Inc. will provide the supplier with twenty-four (24) to seventy-two (72) hour notice of a visit. Also, Metal and Wire Products Co., Inc., will attempt to provide an agenda or list of documents or processes that will be audited. Metal and Wire Products customer(s) also reserves the right to audit a supplier's facilities at any time. Even in these cases, Metal and Wire Products Co., Inc., will attempt to give the supplier ample notice of such a visit.