

Supplier Quality Manual

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1.0 Purpose

The purpose of this procedure is to provide for a system and instructions to give each supplier the necessary tools to provide product and services that meet the expectations of Jay Plastics.

2.0 Application

This procedure applies to suppliers who provide materials, components or services used in the manufacture of products at Jay Plastics.

3.0 Supplier Quality System Requirements

Jay Plastics requires that applicable suppliers be third party registered to either *ISO/TS 16949:2009 or ISO 9001:2008. Note: during the agreed ISO 9001:2008 and ISO/TS 16949:2009 transition process- ISO 9001:2000 and ISO/TS 16949:2002 Certificates shall be deemed as acceptable.*

Suppliers that are not registered to the ISO/TS 16949:2009 standard must fill out the entire supplier self assessment that is provided. Companies that are ISO/TS 16949:2009 certified need only to fill out sections A & B of the supplier assessment. The intention of the survey is to determine whether the supplier has systems in place, which would meet the requirements of the ISO/TS 16949:2009 standard.

4.0 Production Part Approval Processes (PPAP) Requirements

Jay Plastics requires its suppliers to utilize the process and forms referenced in the AIAG (Automotive Industry Action Group) manuals to demonstrate product and process conformance to product specifications

Suppliers are expected to meet all requirements of the customer print, unless a written waiver is received from Jay Plastics. If it is necessary for a supplier to make significant process changes (i.e. changes affecting materials, components, suppliers, tooling equipment and/or production process), the supplier must submit a Ppap package for approval demonstrating conformance of the new process to all requirements. The supplier may not ship product from the revised processes with out Ppap approval, unless interim approval is obtained from the Jay Plastics quality dept. The supplier Ppap checklist provided may be utilized to ensure that all applicable requirements are met.

5.0 Advanced Product Quality Planning (APQP)

Suppliers are responsible for utilizing a multidisciplinary team approach when preparing for production of a product for Jay Plastics. This team approach should include:

- Development of Process Flows, Control Plans, & Production FMEA's
- Monitoring of special characteristics
- Mistake Proofing
- Actions to reduce potential failure modes

6.0 Reporting Requirements

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If requested the supplier will supply data with each shipment (or at an agreed upon frequency) demonstrating ongoing conformance to product requirements.

7.0 Non-conforming Product

If a problem is found with the products or services provided by a supplier, then a Supplier Notice of Non-Conformance (SNN) will be issued to the supplier. Immediate action should be taken by the supplier to contain all defects already produced and stop any further defective product from being produced. All suppliers are expected to notify Jay Plastics of any shipments in transit that may have suspect material. *Costs incurred as a result of non-conforming product will be assessed and forwarded to supplier. Man hours, downtime, qty impacted, investigation cost and administrative costs will be used to determine charge back.*

The initial response including the containment plan is due within 24 hours. This initial response should clearly state how certified material will be identified and when Jay Plastics will receive the certified shipment. The certification of product should remain in effect until after implementation and verification of the corrective action.

The supplier has a maximum of 10 days to respond with the permanent corrective actions. If an extension of time is needed the supplier should contact the quality department to request an extension.

Jay Plastics reserves the right to debit suppliers for all costs associated with defective product for which the supplier is responsible. Costs that are debited will be detailed as part of the SNN. Suppliers have 3 business days to reply with the disposition of rejected material. Supplier must issue a RMA and make arrangements for material to be returned within 3 business day or material will be scrapped at Suppliers expense and appropriate debt taken.

8.0 Supplier Performance Report

Jay Plastics provides a Quality Monthly Report to applicable suppliers in order to communicate how well your company is performing to our expectations. This report tracks your PPM & Delivery performance and should be used as a tool to identify problem areas and focus on the appropriate counter measures. Jay Plastics expects its suppliers to deliver product and services as scheduled 100% of the time.

9.0 Packaging

Jay Plastics expects its suppliers to use packaging that effectively protects products during shipment. If the supplier is utilizing packaging provided by Jay Plastics, then the supplier is responsible for use of the appropriate packaging in the proper manner. If damage results from incorrect use of packaging or if the wrong packaging is used, the supplier is responsible and the damaged parts will be considered defects.

10.0 Labeling

Labels should be used that clearly identify the product and include at a minimum, the following information in a legible condition:

- Part Number
- Part Name or Description
- Supplier Name

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- Manufacturing Date or Lot#
- Quantity

11.0 Customer Owned Tooling & Equipment

Suppliers that use tooling or equipment owned by Jay Plastics or it's customers must have a system in place to maintain and protect the tooling. This system should include the following activities:

- Maintenance & Repair
- Preservation of tooling/equipment
- Storage & Recovery
- Setup
- Documentation of tooling/equipment modifications

No changes / modifications to tooling or equipment is permissible unless written authorization is received from the engineering department at Jay Plastics. The supplier should retain the documentation concerning any changes or modifications that are authorized.

12.0 Records & Documentation

Each supplier is expected to maintain records of all SPC charts, testing, measurement and inspection required to demonstrate conformance to the requirements of Jay Plastics and its customers. The records must be legible, stored in a manner to prevent deterioration and readily available.

Suppliers must retain all Ppap documentation for the life of the program (including service) plus a minimum of 1 year.

13.0 Confidentiality

Suppliers are expected to maintain confidentiality regarding customer specific designs, prints, math data and propriety processes supplied or used by Jay Plastics.

14.0 Purchase Orders

A purchase order is issued to a supplier at the time of quotation acceptance. The purchase order defines and describes material or services in terms of part number, engineering revision level, quantity, price, delivery and compliance to governmental standards and regulations, as applicable. The supplier is notified in the event that a revision to the purchase order becomes necessary, such as a design change.

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Revision: _____ Nature of Change: _____ By: _____ Date: _____

A	Initial Creation in MS word	P. Oswalt	5/25/06
B	Revised Outline Numbering changing 10.0 Records and Documentation to 12.0, 11.0 Confidentiality to 13.0, and 12.0 Purchase Orders to 14.0 because of duplicate outline numbers. Revised 12.0 Records and Documentation retention of PPAP documentation from 50 years to 1 year per revised GM Customer Specifications.	D. Miller	4/29/08
C	Modified 7.0 to include 3 business day limit for defective material	P. Oswalt	1/26/10
<i>D</i>	<i>Modified 3.0 to include ISO/TS 16949:2009 And ISO 9001:2008 Modified 7.0 to include nonconforming Material charges</i>	<i>P. Oswalt</i>	<i>7/21/10</i>

Approved By: _____ Paul Boggs _____ 7/21/10
Vice President Date