



# SUPPLIER GUIDELINES NORTH AMERICA

Revision G – March 1, 2021

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# Foreword

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## Global Supply and Logistics Mission Statement

Globally source from World Class companies who distinguish themselves in Quality, Service, Technology, Price and Delivery performance to ensure that the purchasing cycle creates the highest *Added Value* to the company.

### TASKS

Globally, the Sourcing Team will focus on the procurement and timely delivery of commodities, parts, components and units to meet the divisional requirements for: (1) non-core processes, (2) cost reductions by re-sourcing, (3) insuring we have a multi-supply base for critical materials and processes while (4) developing the most effective and efficient modes of transportation, warehousing and delivery.

### MODE OF OPERATION

We will accomplish our Mission by developing professional, long term relationships with Strategic and Commodity Global suppliers who meet the minimum requirements defined in our Supplier Assessment Matrix (see **Appendix Item I.**), surpass the demands summarized in our Supplier Survey's, and work to the terms of our contracts.

### TOOLS

We will work with and provide our contractual Strategic, Key and Commodity Suppliers with: (1) concurrent engineering practices on new projects, (2) detailed Technical and Commercial Packages for all materials, (3) as required technical support for approvals, projects and compliance, (4) on-site reviews for new business opportunities, corrective actions, and (5) a semi-annual Supplier Performance Summary and periodic supplier audit.

Suppliers 'quality objectives' shall be in line with Prestolite quality objectives, particularly PPM (zero defects), lead-time, and improvement targets. Suppliers are expected to use a structured cross-functional approach along with the current AIAG, Advanced Product Quality Planning (APQP) and Control Plan Manual, for product and process development.

# I. Introduction

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## PURPOSE

The purpose of this manual is to introduce potential and existing suppliers to Prestolite Electric Incorporated sourcing requirements. This includes educating suppliers on the certification prerequisites to a known quality system, such as IATF or ISO, through the process of qualifying components for shipment.

## OVERVIEW

Prestolite Electric Incorporated is a worldwide manufacturer of starters and alternators for original equipment manufacturers and the aftermarket. The organization includes divisions in the United States, United Kingdom and China.

## QUALITY POLICY

Prestolite Electric Incorporated is dedicated to exceeding our customer expectations for **Quality, Reliability, and On-Time Delivery**. We are committed to Continuous Improvement through constant focus on meeting our **Quality Objectives**.

## CONTINUOUS IMPROVEMENT

Prestolite expects suppliers to monitor the outputs of their quality system and continually improve in quality, service & cost. This philosophy should be fully deployed throughout the supplier's organization. Continual improvement in product characteristics means optimizing at a target value and reducing variation around that value. This assumes that product characteristics currently meet specifications. Prestolite's customers have high expectations of the quality of the Prestolite products and in order to meet these expectations we are equally demanding of our supply base.

The suppliers 'quality objectives' shall be in line with Prestolite quality objectives, particularly PPM (zero defects), lead-time, and improvement targets.

## SAFE LAUNCH PLAN (SLP)

Prestolite suggests suppliers develop SLP for all new product and process launches. The SLP is intended to provide both Prestolite and the Supplier protection from product non-conformances during the launch of a project.

The SLP may consist of, but is not limited to:

1. A pre-launch control plan with additional or heightened inspection, increased sample sizes and frequencies, and – 100% inspection of all pre-production parts with traceability to serialized and labeled parts, wherever possible.

A SLP is recommended in the following situations:

1. Process: new, changed, moved, or re-sourced processes
2. Product: new, transferred, or changed product

Prestolite expects the Supplier to identify any increased risk for new parts and implement the SLP accordingly. Prestolite Supplier Quality may define additional specific requirements for the pre-launch control plan and launch products.

SLP requirements:

1. When creating the SLP, all critical, significant, safety, appearance, and fit/form/function characteristics must have increased inspection. The output of the SLP is a pre-launch control
2. Exit criteria for SLP is defined by the supplier and reviewed with the appropriate Prestolite Electric representatives.

## II. Sourcing

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### SUPPLIER REQUIREMENTS

1. Prestolite requires their suppliers of automotive products and services to develop, implement, and improve a quality management system (QMS) with the ultimate objective of becoming certified to IATF 16949.

Using a risk-based model, Prestolite defines a minimum acceptable level of QMS development and a target QMS development level for each supplier.

Unless otherwise authorized by Prestolite’s customer(s), a QMS certified to ISO 9001 is the initial minimum acceptable level of development. Based on current performance and the potential risk to the customer, the objective is to move suppliers through the following QMS development progression:

- a. certification to ISO 9001 through third-party audits; unless otherwise specified by the customer, suppliers to the organization shall demonstrate conformity to ISO 9001 by maintaining a third-party certification issued by a certification body bearing the accreditation mark of a recognized IAF MLA (International Accreditation Forum Multilateral Recognition Arrangement) member and where the accreditation body’s main scope includes management system certification to ISO/IEC 17021;
- b. certification to ISO 9001 with compliance to other customer-defined QMS requirements (such as Minimum Automotive Quality Management System Requirements for Sub-Tier Suppliers [MAQMSR] or equivalent) through second-party audits;
- c. certification to ISO 9001 with compliance to IATF 16949 through second-party audits;
- d. certification to IATF 16949 through third-party audits (valid third-party certification of the supplier to IATF 16949 by an IATF-recognized certification body).

All certifications must be recognized by the following bodies. Certifications will be voidated on an annual basis by Prestolite using these websites:

- a. International Automotive Task Force ([www.iatfglobaloversight.org](http://www.iatfglobaloversight.org))
- b. International Accreditation Forum ([www.iaf.nu](http://www.iaf.nu))

2. Demonstrate understanding and capability of using the Automotive Industry Action Group’s APQP, FMEA, SPC, MSA, PPAP and Special Processes (CQI) manuals for product and process development and introduction when required.
  - a. Suppliers shall adhere to any “Customer Specific Requirements” applied to Prestolite by its customers.
  - b. Suppliers shall evaluate the effectiveness of each of the applicable special processes listed below with the associated manual:
    - i. AIAG CQI-9 Heat Treat System Assessment
    - ii. AIAG CQI-11 Plating System Assessment

- iii. AIAG CQI-12 Coating System Assessment
  - iv. AIAG CQI-15 Welding System Assessment
  - v. AIAG CQI-17 Soldering System Assessment
  - vi. AIAG CQI-23 Molding System Assessment
  - vii. AIAG CQI-27 Casting System Assessment
3. Be IMDS (International Material Data System) compliant, registered or when requested be able to submit IMDS data for approval for all components with any PPAP submission (see **International Data Material System (IMDS)** submission).
  4. Follow Restricted and Prohibited Materials guidelines:
    - a. All materials and components shall conform to the prohibitions and restrictions on content. Use the following hyperlink to access a list of restricted substances:

<https://echa.europa.eu/addressing-chemicals-of-concern/restrictions/substances-restricted-under-reach>
    - b. Be REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) compliant.
    - c. Radioactivity – Furnished material and finished product may not emit radioactivity (any type of ionizing radiation) above background levels when measured 1m from the source. The measured limit may be no greater than: 0.5  $\mu$ Sv/hr. (50 $\mu$ Rems/hr.).
    - d. Certain Prestolite Defense Contracts require the consideration and procurement of Specialty Metals per United States FAR 252.225 – 7008; - 7009. When required Prestolite will notify suppliers that this requirement applies to materials purchased from them and the supplier will need to certify compliance to this regulation.
  5. Be subject to an on-site audit performed by a Prestolite Electric Incorporated representative.
  6. Comply and agree to terms of the corporate Non-Disclosure Agreement (NDA) where applicable (see **Appendix, item II.**).

## IDENTIFICATION AND TRACEABILITY

Suppliers must identify Prestolite product by suitable means through the manufacturing process and in all inventory locations. Suitable means may include cards, tags, signs, lot numbers, or bar codes. The status of the product must be identified to mitigate the risk of suspect, nonconforming, or unapproved product being used or shipped to Prestolite. The depth of

traceability required must be considered for each part and the amount of detail recorded must be related to the risk. Traceability considerations include permanency and legibility.

## **STATUTORY AND REGULATORY REQUIREMENTS**

Purchased products, processes, and services must conform to the current applicable statutory and regulatory requirements in the country of receipt, the country of shipment, and the customer-identified country of destination, if provided.

Suppliers are required to cascade all applicable requirements down the supply chain to the point of manufacture. Particular attention must be given to statutory and regulatory product-safety requirements.

## **AUTOMOTIVE PRODUCT-RELATED SOFTWARE OR AUTOMOTIVE PRODUCTS WITH EMBEDDED SOFTWARE**

Prestolite requires suppliers of products which contain automotive product-related software, or products with embedded software, to implement and maintain a process for software quality assurance for their products.

Suppliers must utilize a software development assessment methodology to assess the supplier's development software. The supplier must retain documented information of a software development capability self-assessment.

## **COUNTERFEIT COMPONENT PRODUCTION**

The supplier shall establish, implement and maintain procedures that will detect and prohibit the use of counterfeit/used parts. For all electrical, electronic, and electro mechanical component parts delivered and/or used in the manufacture of deliverable products shall be from the Original Component Manufacturer (OCM), Original Equipment Manufacturer (OEM), or Authorized Distributor. For all Non-Electrical standard parts, like fasteners, O-rings, nuts, washers, insulators and product component hardware must possess a certification from the (OCM), (OEM), or Authorized Distributor.

If evidence of Supply Chain Traceability to the OCM/ OEM or through an authorized distributor is not available, the supplier must notify Prestolite Electric immediately and get authorization if applicable.

Confirmed counterfeit parts shall be segregated and controlled until physically destroyed.

Confirmed counterfeit parts will be reported to the Government Industry Data Exchange Program (GIDEP) and applicable US Government investigative authorities. Suppliers shall be liable for all the costs relating to the removal and replacement of counterfeit work.

## CONFLICT MINERALS

The U.S. Securities and Exchange Commission (SEC) have rules that require manufacturers to file certain reports with the SEC to disclose whether the products they manufacture or contract to manufacture contain Conflict Minerals that are “necessary to the functionality or production” of their products. Such SEC reporting manufacturers must declare whether or not any 3T/G in their products which originated from the “Covered Countries” came from Conflict Free Smelters. There are currently 4 minerals identified as conflict minerals (Tin, Tungsten, Tantalum, and Gold, or 3T/G) at this present time. More may be added in the future.

Prestolite may periodically survey suppliers of products it determines may contain conflict minerals.

## SOURCING PROCESS

Purchasing staff routinely solicits suppliers for the purpose of cost reduction, quality improvement, and to meet the needs of engineering new product development. Some of these activities include on-site visits by management as well as design, manufacturing and/or supplier quality engineering.

These visits are intended to conduct initial assessments of supplier capabilities, evaluate business systems, as well as evaluate the supplier’s quality management system. The supplier may be asked to complete a Supplier Self-Assessment Form (see **Appendix, item III.**).

## COMMUNICATION

Prestolite Electric Incorporated recognizes the importance of having world class suppliers as part of their supplier base. Because of this, suppliers can expect visits from various levels of management, engineering and purchasing.

It is important that suppliers understand that the primary contact for business communication is the commodity manager or their designee. This includes all communication from the quoting process through purchase of production parts. All concerns and questions with regard to technical issues should be addressed via the commodity manager and supplier quality engineer. The commodity manager and supplier quality engineer will interface with the appropriate staff to ensure that all supplier concerns and questions are addressed. There will be instances when direct communication with engineering is necessary. Under those circumstances, suppliers will be contacted by the appropriate parties.

## QUOTING PROCESS

In order to facilitate the process, the Request for Quotation (RFQ) (see **Appendix, item IV.**), will be accompanied by a technical data package. This package typically consists of the following items:

1. Engineering Drawings (hard copies and/or electronic files)
2. Material Specifications
3. Testing Specifications
4. Performance Requirements
5. Samples (as required)
6. Team Feasibility Commitment Letter (as required)

## PRE-SOURCING TECHNICAL REVIEW

Before submitting a quote, all suppliers are required to adequately review all aspects of the part/component and insure that they are capable of manufacturing the part to the print tolerances. If a supplier is unsure of their ability to meet the print requirements, exceptions to the quotes should be submitted. Exceptions to the quote can be raised through the Supplier Request for Deviation process (see **Appendix, item V.**).

## TOOLING

The tooling agreement will be consistent with the contract terms.

## INTERNATIONAL MATERIAL DATA SYSTEM (IMDS)

Prestolite Electric Incorporated has customers who require our organization to be compliant with the International Material Data System (IMDS). As a result, suppliers to Prestolite must be compliant with the International Material Data System for supplied products. This requires suppliers to report material composition consistent with the Global Automotive Declarable Substance List (GADSL).

This information must be made available when requested by Purchasing on existing products, and **must** accompany all new PPAP submissions for new or changed products.

In order to meet its customer commitments, Prestolite will require suppliers to submit IMDS material information in one of two methods:

1. **Preferred Method:** Consists of a direct electronic submission of the component or assembly information using the IMDS system to Prestolite Electric at: Arcade, NY, USA – IMDS Number 109436
2. **Secondary Method:** Consists of a written submission and certification for each component and each sub-component in an assembly that includes the description and amount of all constituent materials

Prestolite encourages suppliers to work towards submitting IMDS data using the preferred method above.

### **NOTE** - Other reporting information:

1. Suppliers must review GADSL updates and provide updates within IMDS or by written submission to Prestolite for their parts twice a year.
2. Information on the IMDS system and GADSL can be found at ([www.mdsystem.com](http://www.mdsystem.com))
3. Training on the IMDS system use can be obtained by contacting Midwest Quality Technologies at ([www.gomqt.com](http://www.gomqt.com)) or another training organization of your choice.

## REGISTRATION, EVALUATION, AUTHORIZATION & RESTRICTION OF CHEMICALS (REACH)

As a supplier to Prestolite Electric, you are expected to be compliant to Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) and the provisions regarding Substances of Very High Concern (SVHC).

REACH contains provisions relating to SVHC which may be present in manufactured articles. One important feature of these provisions is the publication of a Candidate List of substances which may be subject to prohibition unless they have been formally authorized.

More information on this can be found on the European Chemicals Agency's website (ECHA) at:

[http://echa.europa.eu/home\\_en.asp](http://echa.europa.eu/home_en.asp).

The current Candidate List can be reviewed via the enclosed address:

[http://echa.europa.eu/chem\\_data/authorisation\\_process/candidate\\_list\\_table\\_en.asp](http://echa.europa.eu/chem_data/authorisation_process/candidate_list_table_en.asp).

The presence of substances on the Candidate List places specific obligations on suppliers of articles containing the substances if they are presently **above 0.1% (w/w)**. To comply with this legal requirement (see REACH regulation, Title IV, Article 33), please confirm that the articles you supply to us **Do Not** contain these substances.

If you do supply articles to us containing **more than 0.1%** of these substances it is required that you send Prestolite the SDS (Safety Data Sheet) to allow the safe use of the article, when applicable include exposure scenarios. A SDS is required on all products that are PBT or vPvB. As the Candidate List will be updated with the new substances on a regular basis by the ECHA (European Chemicals Agency), suppliers are responsible to check it periodically and inform Prestolite Electric immediately if there are any new substances in the articles you supply to us.

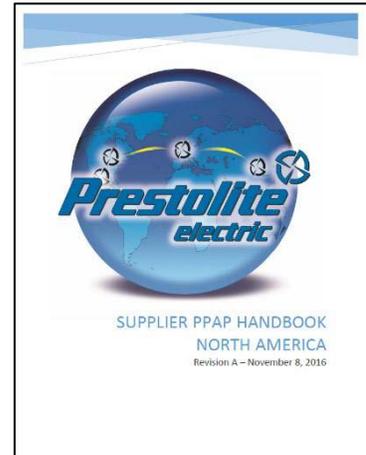
Please note as of October 28, 2008, it is a legal responsibility to comply with the REACH requirements mentioned above. Therefore, suppliers are required to provide prompt responses on your company letterhead with appropriate signatures indicating your company's status with REACH along with the substantiating documentation.

### III. Approval Process

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#### PRODUCTION PART APPROVAL PROCESS (PPAP)

The Quality Assurance staff at Prestolite Electric Inc. has prepared a Supplier PPAP Handbook – North America (see **Appendix Item VI.**) for new and existing suppliers of manufacturing based purchased goods to Prestolite. Its purpose is to define the approval process of new or revised parts, or parts resulting from new or significantly revised production methods.



As a Supplier to Prestolite, it is your responsibility to ensure that you ship only parts that have been approved and meet specifications.

The procedures outlined in this handbook apply to Prestolite Electric North American facilities. If you have questions regarding the contents or processes described in this handbook, please contact the Quality or Supplier Quality representative of the Prestolite location to which your documentation is being submitted.

### IV. Commercial

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#### COST & PRICING

##### Total Cost of Ownership

To provide maximum value to our customers, we strive to minimize the total cost of our products.

We expect our suppliers to:

- a. Provide a competitive cost structure for all of their products and services as benchmarks against their peers. This cost structure includes acquisition, implementation, and operating costs of products and services as well as after-market service and support.
- b. Demonstrate continuous improvement in all elements of their cost structure

- c. Suggest ways that Prestolite Electric Incorporated can improve its products or services to achieve lower costs

## PRICE INCREASES

In the event a supplier requests a deviation to pricing that wasn't initially listed on the RFQ, the supplier is to submit written notification to a Prestolite Purchasing representative no less than 30 days prior to the proposed date of implementation. All price increase requests shall be accompanied by formal cost justification.

Prestolite reserves the right to review & negotiate all price increase submissions. All proposed price increases must be approved by Prestolite in writing prior to implementation by supplier. Prestolite is not liable for additional materials, services or otherwise incurred by the supplier prior to receiving approval.

## RESPONSIVENESS

Prestolite is committed to responding quickly to customer inquiries, and we strive to efficiently resolve and eliminate any problems that may arise.

Therefore we expect our suppliers to:

1. Respond to inquiries promptly with clear, complete, and accurate information.
2. Be able to support changes in Prestolite Electric's demand or requirements.
3. Expeditiously resolve any problems or supply disruptions, taking appropriate measures to ensure that they do not repeat.

## WARRANTY

As a supplier to original equipment manufacturers, Prestolite Electric Incorporated enters into contractual agreements with customers to cover warranty costs associated with material and other losses associated with defective product due to materials and workmanship. Prestolite Electric Incorporated therefore expects that its suppliers warrant the specified materials and workmanship to which they manufacture in a like fashion when and where appropriate.

## SHIPPING REQUIREMENTS, PACKAGING & LABELING

All material is expected to conform to Prestolite *Labeling Requirements P254105073* and *Packaging Requirements – Incoming Material P254105074* (See **Appendix Items VII. & VIII.**). The purchase order will indicate the freight terms.

**NOTE - Along with packaging labels, *product* is to be labeled with “Country of Origin” as per United States Customs’ regulations**

Compliance to the Packaging and Shipping Guidelines is mandatory and will be continuously monitored. Non-compliance is subject to rejection by our receiving locations with charges for repackaging, or return shipment billed back to the shipping location.

Exceptions to the guidelines may be approved in limited situations with prior written request to the receiving location. Revisions to current packaging must be tested and evaluated in cooperation with the Prestolite Purchasing team.

Shipments within the United States are to be moved utilizing Prestolite Electric Incorporated approved carriers. International shipments must be booked through the Prestolite Electric routing guide where applicable. No shipments will be accepted on a “COLLECT” basis.

## V. Production

### FORECASTS & ORDERS

An estimated annual usage will be provided to the supplier at the time of quote. All purchase orders issued will be specific to the part number. Quantity releases to that purchase order will be communicated via the supplier portal, email, or fax. All releases issued must be confirmed by the supplier. Unscheduled shipments will be returned to the supplier at the supplier’s expense.

### KEY PURCHASING INDICATORS

KPI	Quality KPI's	Summary	KPI Weighting
1	Accepted Lots	Percentage of Accepted Receipts to Total Number of Receipts	20%
2	MVR Count	Total Number of Non-Conforming Reports (Material Variance Reports)	REPORTED
3	PPM	Defective Parts-Per-Million Received	20%
4	On Time Delivery (OTD)	Percentage of On-Time Deliveries to Total Number of Deliveries	20%
5	Premium Freight Incidents	Total Number of Occurrences that Product had to be Expedited due to Quality Occurrences	20%
6	Warranty Occurrences & Customer Disruptions	Total Number of Warranty Claims & Customer Disruptions due to Defective Supplier Product	20%
7	Cost of Quality	Total Number of Dollars Invested to Resources used to Prevent Poor Quality (Sort, Rework, Etc.)	REPORTED
8	Supplier Responsiveness	The Quality of Reacting Quickly and Positively in Response to Supplier Quality & Supply Chain Management	REPORTED

All suppliers are rated based on the indicators outlined below. The metrics are based on data generated in our manufacturing data base; a Supplier Scorecard (see **Appendix, item IX.**) is used to communicate supplier performance. Suppliers who do not perform to the required expectations are contacted to review the issues of concern and report an action plan to correct deficiencies – Supplier Performance Review (see **Appendix, Item X.**).

## VI. Non-Conforming Material

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### MATERIAL VARIANCE REPORTS (MVR)

When suppliers submit shipments, all shipments are subjected to incoming inspection unless supplier performance indicates otherwise. Shipments are inspected on a C=0 sampling plan at an initial AQL of 2.5. Any shipments that are considered defective are tagged as non-conforming product. A Material Variance Report (MVR) (see **Appendix, item XI.**) is generated detailing the characteristics that do not meet Prestolite Electric Incorporated requirements. Prestolite's corrective action process may escalate through several phases depending on the adequacy and timeliness of the supplier's response and the effectiveness of the actions taken. Depending on the severity and urgency, Senior Management may be immediately notified.

Once an MVR is generated, Prestolite Electric will notify the supplier. Upon notification, the supplier is required to complete the following actions:

1. Short-term containment – Supplier is required to take immediate containment actions to protect Prestolite from receiving additional non-conforming product in future receipts.
  - a. Once notified, the supplier has 24 hours to identify and contain all affected product both within their facility as well as product currently within transit.
  - b. The supplier will be expected to document all actions. In some cases, Prestolite may request that the supplier provide these documented actions depending on the severity of the situation.
2. If the non-conformance is a repeat occurrence, or if the initial occurrence has a severe, negative impact on cost of quality, production, on-time delivery or other related factors, Prestolite will issue the supplier a "Supplier Corrective Action

Request” (SCAR). If issued, the supplier will be required to complete the following actions:

- a. Supplier required to take immediate containment actions to enable Prestolite to operate and protect Prestolite from further non-conforming product.
- b. The supplier must submit documented containment results within 24 hours of notification of non-conformity
- c. The supplier’s containment process must cover all possible areas of potential defects including:
  - i. Supplier’s manufacturing location.
  - ii. All potential parts in transit.
  - iii. All warehousing operations from the supplier through the Prestolite facility.
- d. Root cause shall be identified and short term actions in place within 48 hours of finding the defect – If a part is required to be returned to Supplier’s facility to aid in root cause analysis, the 48-hour timeframe begins upon the Supplier’s receipt of returned product. However, the supplier will be expected to complete the root cause analysis without the product physically in hand when possible.
- e. Long term action plan shall be completed and submitted to Prestolite within 15 business days from the initial notification of the SCAR.
- f. Long term action plan must be implemented within 30 days of initiation of the SCAR by Prestolite.
- g. Prestolite reserves the right to institute third party sorting/certification of product at the supplier’s location if a supplier corrective action is inadequate or in the case of a recurring defect. Any charges accrued associated with the activities conducted by the third party will be at the supplier’s expense.
- h. PFMEA and Control Plan are to be reviewed and relevant revisions made as part of the problem solving process. The expectation is that these documents will be submitted as part of the completed SCAR response.
- i. All SCAR responses will be reviewed by appropriate Prestolite quality personnel for adequacy. Unacceptable responses will be returned to the supplier for further work.

All due dates are subject to requests for extensions if warranted. If any of these timelines are not met, they will be deemed “Past Due” and will be escalated to Prestolite Electric Inc. management for further review. Negligence or failure to respond may result in Prestolite Electric withholding future payments.

When multiple MVRs are generated for the same condition, Prestolite Electric Inc. reserves the right to assess a processing charge per MVR which includes, but is not limited to, 100% inspection, rework or utilization of a third party quality resource. Any impact to work stoppages or inefficiencies incurred as a result of multiple MVRs will be subject to penalty.

Suppliers are encouraged to use Prestolite Electric’s 3P5Y Root Cause Analysis (see **Appendix Item XII.**) form to document the root cause. If a supplier has a preferred Root Cause Analysis document, they may review it with the assigned Supplier Quality Engineer (SQE) for approval of use in place of Prestolite Electric’s form.

## DEBIT MEMO

Upon completion of a rework and/or sort performed by Prestolite Electric Incorporated employees, a debit memo will be issued to the supplier that will cover all expenses incurred by Prestolite Electric including, but not limited to, non-conforming parts, and labor. The cost of inspection may be borne by the supplier.

## DOCK-TO-STOCK SHIPMENTS

Suppliers are encouraged to achieve dock to stock status. In order to achieve dock-to-stock status, parts must pass the following process:

1. Parts must be received defect free for five (5) consecutive shipments, followed by
2. Meeting all requirements on a skip lot basis on the 10<sup>th</sup>, 20<sup>th</sup>, and 30<sup>th</sup> shipment.

If a shipment fails to meet requirements, the process is re-initiated. All suppliers are expected to aggressively address part quality and attain dock-to-stock status on all parts shipped to Prestolite Electric.

**Note** - Only suppliers with ISO9001, TS16949, or IATF16949 status have the ability to obtain dock-to-stock status.

## Appendix

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- I. Supplier Assessment Matrix
- II. Non-Disclosure Agreement (NDA)
- III. Supplier Self-Assessment Form
- IV. Request For Quotation
- V. Supplier Request For Deviation
- VI. Supplier PPAP Handbook – North America
- VII. Prestolite Labeling Requirements P254105073
- VIII. Packaging Requirements – Incoming Material P254105074
- IX. Supplier Scorecard
- X. Supplier Performance Review
- XI. Material Variance Report (MVR)
- XII. 3P5Y Root Cause Analysis

# Revision History

<b>Revision</b>	<b>Revision Date</b>	<b>Page(s)</b>	<b>Description of Change</b>
1	September 2016	All	Revised Entire Manual
2	April 2017	Various	<ul style="list-style-type: none"> <li>• Supplier Requirements – Added Quality Certification Validation</li> <li>• Supplier Requirements – Added AIAG Special Process C.Q.I. Requirements</li> <li>• Supplier Requirements – Updated “Restricted and Prohibited Substances” Table</li> <li>• Approval Process – Updated “Traceability” clause</li> </ul>
C	July 25, 2017	Various	<ul style="list-style-type: none"> <li>• Changed document revision nomenclature from numbers to alphabetic characters to match other Prestolite Supplier documents.</li> <li>• Complete reformatting of the Supplier Manual</li> <li>• Section III. Approval Process: Supplier PPAP Handbook Rev. 1 incorporated into manual; Added to Appendix as item V.</li> <li>• Section VI. Nonconforming Materials: Added new verbiage, clarified existing verbiage</li> </ul>
D	April 18, 2018	4 -5 6 7	<ul style="list-style-type: none"> <li>• Re-defined supplier requirements to align with IATF 16949 requirements</li> <li>• Added “Statutory and Regulatory Requirements” to align with IATF 16949 requirements</li> <li>• Added “Automotive Product-Related Software or Automotive Products With Embedded Software to align with IATF 16949 requirements</li> </ul>
E	May 24, 2018	6 4 & 5	<ul style="list-style-type: none"> <li>• Added Identification and Traceability section to align with IATF 16949 requirements</li> <li>• Revised Supplier Requirement to align with IATF 16949 Sanctioned Interpretations.</li> </ul>
F	September 20, 2019	14	<ul style="list-style-type: none"> <li>• Added table detailing key performance indicators in the “KEY PURCHASING INDICATORS” section</li> </ul>
G	March 1, 2021	13	<ul style="list-style-type: none"> <li>• Added “PRICE INCREASES” section; updated table of contents</li> </ul>