



# Supplier Quality Manual



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## 1. General Requirements

### 1.1. Purpose

The purpose of this Supplier Quality Manual is to ensure that the expectations of Mitchell Plastics / Ultra Manufacturing Ltd. (hereby referred to as Mitchell/Ultra) with its suppliers are clearly defined so that there can be an efficient and effective commercial relationship. The contents of this document constitute the customer specific requirements of Mitchell/Ultra.

### 1.2. Application

This Supplier Quality Manual is divided into three distinct sections.

- General expectations which apply to all suppliers.
- Commodity or Service specific expectations.
- Reactions when expectations are not met.

Suppliers are expected to review and understand the expectations that apply to them. The contents of this document constitute contractual obligations as identified in the Mitchell/Ultra purchase order. Expectations in this document should be communicated within the supplier's organization, as required, to ensure compliance.

### 1.3. Communication

Suppliers are expected to communicate with Mitchell/Ultra in the English, unless otherwise agreed. Suppliers must be able to communicate using formats required by Mitchell/Ultra such as e-mail, phone, conference technologies (such as TeamViewer), EDI, etc. Written communications must be used whenever possible to provide adequate evidence of communications.

### 1.4. Plex Portal

Mitchell Plastics uses Plex as our Enterprise Resource Planning (ERP) system. The Plex portal allows for various elements of supplier management. When requested, it is expected that all suppliers access Plex as directed. Documents such as this Supplier Quality Manual, Tool Standards, and required forms can be found in Plex. Corrective Action Reporting is expected in Plex. Supplier Certificate Management is in Plex. Suppliers will be assigned log in credentials when access is required. Supplier scorecards are also available in the Plex supplier portal.

### 1.5. Quality Expectations



It is assumed that all products and services provided to Mitchell / Ultra meet or exceed the standards and specifications agreed to in Purchase Orders, Quotations, Drawings, Standards, and Codes. Every attempt should be made to clarify and document these requirements prior to the award of business. The customers of Mitchell / Ultra often have specific quality requirements. These customer specific requirements will apply to suppliers as well and should be requested of us, if not known.

#### 1.5.1. Quality Policy

The Quality Policy is a focus of our quality management system, it states:

*"We will provide Total Customer Satisfaction through the endless pursuit of excellence in Cost, Quality, Service, and Know-How."*

It is our expectation that our suppliers support us in the realization of this policy in all interactions with us.

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### 1.5.2. Quality Certifications

Mitchell / Ultra are certified to the international quality standard IATF 16949. As part of this certification we must encourage all of our suppliers to attain the IATF 16949 certification, or at the very least, be certified to ISO 9001. Suppliers must provide a valid copy of their quality certification as evidence of their conformance to this requirement.

### 1.5.3. Quality Communications

Suppliers are expected to maintain a free and open flow of communication with appropriate Mitchell / Ultra personnel. Advanced notification and approval is required for changes to products or services being supplied, packaging changes, manufacturing location changes, or significant process changes. This notification and approval of changes applies to all sub-supplier components, materials and processes as well.

If defective or suspect product or services have been supplied, immediate notification to Mitchell / Ultra must be provided so appropriate actions can be taken to mitigate the effects. Substandard products or services must be rectified by the supplier.

## 1.6. Delivery Expectations

Suppliers are expected to provide products and/or services on time, in the correct quantity and properly identified. Shipping and receiving hours are 7:30 AM to 3:30 PM local time. Deliveries outside of these hours must be approved in advance.

To ensure that delivery expectations are met the following are required:

### 1.6.1. Labelling

All products received must be labelled with an AIAG Format label that includes the Mitchell / Ultra part number, lot traceability information, and date of manufacture or a specific supplier label as per Mitchell / Ultra requirements. All labels should be approved by the Mitchell / Ultra receiving plant prior to PPAP approval.

### 1.6.2. NAFTA Certificate of Origin

All suppliers shipping product across the Canada / US / Mexico border are required to provide a NAFTA Certificate of Origin at least annually.



### 1.6.3. Delivery Communication

Suppliers are expected to maintain proactive and open communications with the appropriate personnel at Mitchell / Ultra. This includes, but is not limited to:

- The ability to receive EDI releases conforming to AIAG guidelines.
- The ability to send Advanced Shipping Notification's (ASN's) when requested.
- Proactive notification of potential supply issues.
- After hours contacts when necessary.
- Changes to logistics plans.

### 1.6.4. Capacity Planning

Suppliers must maintain adequate capacity to be able to provide the quoted annual volume of products as released. Forecasted requirements will be provided for planning purposes, but

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purchase commitment is only for firm releases. When requested, suppliers will need to show evidence of available capacity.

### 1.6.5. Contingency Planning

Suppliers must have contingency plans to manage continued flow of products and services for issues such as utility interruption, labour shortage, key equipment failure, supply disruptions, etc. These plans must allow for uninterrupted product supply when there is a loss of utilities (electrical, water, phone, internet, etc.) for up to 4 weeks.

### 1.6.6. Export Controls

Suppliers who ship across international boundaries must have systems in place to ensure load security. Formal programs such as United States' Customs -Trade Partnership Against Terrorism (C-TPAT) or an equivalent should be used where possible. Mitchell / Ultra may mandate such a system when required.

Where requested, suppliers (and their supply chain) must provide in a timely manner, Conflict Minerals reports as required as part of the US Dodd-Frank legislation. Additional information regarding Conflict Minerals can be found at <http://conflictminerals.aiag.org>.

Also, when legal sanctions exist for companies or individuals, suppliers must ensure they comply.

## 1.7. Environmental Expectations

Mitchell / Ultra Ltd. facilities and its Environmental Management System are registered to the ISO 14001 standard. It is recommended that suppliers are also registered, or working toward registration to this standard. At the very minimum, suppliers must comply with all applicable environmental legislation and utilize resources in an effective manner without adverse impact on health or the environment.

### 1.7.1. Environmental Policy

The Mitchell / Ultra Environmental Policy is:

*“We will minimize the environmental impact of our operations through:*



- *The development and manufacture of products that can be recycled, reused and disposed of safely whenever possible.*
- *The efficient use of energy and materials.*
- *The minimization and safe disposal of all waste.*
- *Compliance with all relevant environmental legislation, regulations, and requirements.*
- *Continuous improvement of our environmental management system.”*

It is our expectation that our suppliers support us in the realization of this policy in all interactions with us.

### 1.7.2. Environmental Compliance on Site

When suppliers are at one of our facilities, they must comply with all of our environmental rules and regulations. These rules and regulations are posted on the “Welcome Letter” which must be reviewed when signing in.

Some general requirements of suppliers to keep in mind are:

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- Materials with hazardous components which are brought into the plant must have an MSDS.
- Unused materials must be taken away by the supplier.
- Nothing will be poured down a drain.
- Appropriate Personal Protective Equipment (PPE) will be used.
- Evidence will be provided of appropriate licencing to handle:
  - Hazardous Waste
  - Dangerous Goods
  - Ozone Depleting Substances
  - Pesticides

The supplier must ensure that adequate environmental records exist and are on file at the appropriate Mitchell / Ultra facility.

### 1.8. Health and Safety Expectations

The health and safety of our employees and suppliers is paramount. At no time will activities that jeopardize health or safety be tolerated. Some health and safety rules are included on the “Welcome Letter” that must be reviewed when signing in.

Some other requirements are:

- Appropriate Personal Protective Equipment (PPE) will be used.
- Training Certificate for Forklift Operation (if forklift is used).
- Training Certificate for Aerial Work Platform including Fall Arrest Systems (if aerial work platform is used).
- Training Certificate for Overhead Crane Operation (if overhead crane is used).
- Evidence of appropriate liability insurance when working in our facility.
- Appropriate licencing when required for:
  - Electricians
  - Plumbers
  - Technical Standards & Safety Authority (TSSA) fuels
  - TSSA Boilers and Pressure Vessels

Where required, the supplier must ensure that appropriate evidence of insurance, licencing or certification is on file at the appropriate Mitchell / Ultra facility.



#### 1.8.1. Health and Safety Policy

The Mitchell / Ultra Ltd Health and Safety Policy is:

***“The Primary Importance to Management is the Health and Safety  
of all Team Members.*”**

*Our safety initiative is going to lead our team members through a comprehensive and effective safety system comprised of programs and practices to ensure a safety culture is in place that is consistent with company values.*



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*Safety does not just happen; it requires commitment throughout the organization. Our goal is an accident-free work environment, by subscribing to sound operational practices that will result in safe working conditions and efficient operations.*

*Protection of our team members from injury or occupational disease is a major continuing objective. The company will make every effort to provide a safe and healthy work environment. All supervisors and team members must be dedicated to the continuing objective of reducing risk of injury.*

*To support Legislation, the Internal Responsibility System will be utilized at Ultra Manufacturing and Mitchell Plastics. Accordingly, all team members and management are held accountable for reporting and/or investigating concerns, incidents, and accidents.*

*All supervisors and managers will make health and safety their number one priority. Each supervisor and/or manager is responsible to ensure that team members are in compliance with established safe work practices and procedures. Team members must receive adequate training in their specific work tasks to protect their health and safety. The entire management team will work to continually improve our health and safety policies and procedures.*

*Every team member must protect their own health and safety as well as others; by working in compliance with safe work practices and procedures established by the company and by Municipal, Provincial/State, and Federal Regulations.*

*It is of utmost importance that all parties keep health and safety in the forefront in every activity. The Company's commitment to the health and safety of our team members must form an integral part of the organization.*

***There is no task so critical that we cannot take the time to perform our work safely!"***

It is expected that our suppliers adhere to this policy while performing work at our site. Adherence to this policy is also recommended for all supplier facilities.

## **1.9. Corporate Social Responsibility Expectations**



All companies not only exist in a physical space but they also exist in communities of people. As such, all companies must understand and manage their impact on the communities they work in. In order to manage this impact it is recommended that suppliers develop and implement a corporate social responsibility position that is communicated throughout their organization.

### **1.9.1. Corporate Social Responsibility Policy**

The Mitchell / Ultra Corporate Responsibility Statement is included as an attachment to this document.

As part of the Mitchell / Ultra Corporate Social Responsibility (CSR) program, we require that suppliers introduce and implement equivalent principles and communicate them throughout their organizations. Further guidance can be obtained through the AIAG.

Mitchell / Ultra also require that each supplier evaluate their own CSR program using the AIAG Supplier Sustainability Self-Assessment and provide a copy of the "Scoring" tab to their Buyer. This information will be used to measure and help verify responsible practices in our supply chain.

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Suppliers, who fail to respond, or have significant gaps in expectations, may be subject to onsite audits of their CSR systems and practices.

#### **1.9.1.1. Diversity**

It is expected that the workplaces of our suppliers reflect the diversity of the areas in which they operate. To enhance diversity in the supply base, Mitchell / Ultra requires that all suppliers who qualify as Minority or Women owned businesses report this status to Mitchell / Ultra Corporate Purchasing. Mitchell / Ultra, where appropriate, will actively source from these suppliers. Diversity training is encouraged within all suppliers' organizations.

### **1.10. Responsibility for Products and/or Services Provided**

Suppliers are responsible to ensure that the products and services provided to Mitchell / Ultra meet the specifications and requirements for which they are offered. All suppliers are expected to stand behind the products and services they provide and correct any issues that arise due to normal use or application for which the product or service was provided.

#### **1.10.1. Warranty**

Products and services provided are expected to perform per the specifications and requirements, for the life of the product or service. It is expected that premature failure attributed to supplied products or services would be analysed, root cause established and corrected by the supplier, with the direction of the appropriate personnel at Mitchell / Ultra. An 8D format is typically used and closure of the issue must occur within 30 days, unless extension is given by the appropriate plant Quality Manager.

A solid verification and prevention strategy should be used to mitigate the risk of warranty issues.

#### **1.11. Service product**

People who own vehicles expect to have replacement parts available for service, at a reasonable price, for the life of their vehicle. In order to satisfy this requirement, Mitchell / Ultra must agree to sell service parts to the OEM at production piece price for up to 15 years after the original date of manufacture of the vehicle. To make this possible, our suppliers are expected to provide their products at production price for up to 15 years.

#### **1.12. Confidentiality**

All information shared between Mitchell / Ultra and our suppliers must be treated as confidential.



## **2. Commodity Specific Requirements**

In addition to the General Supplier requirements, there are specific requirements that vary based on the commodity being supplied. These commodity specific requirements are outlined below.

### **2.1. Resin**

#### **2.1.1. Resin Quality**

Resin suppliers are expected to meet the following expectations for quality.

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#### **2.1.1.1. Material Approvals**

Resin material must be approved to an OEM material specification. PPAP of resin is not required for approved materials unless requested by the OEM (see AIAG PPAP Manual, Introduction, Applicability). Resin must be certified to an OEM Specification. A copy of the certification must be sent to the appropriate Mitchell / Ultra representative with each new lot.

#### **2.1.1.2. Lot Traceability**

Resin must be identified so that lot traceability can be maintained. This would include proper labelling for bagged or Gaylord packed materials and proper shipping documents for bulk resin deliveries.

#### **2.1.1.3. Packaging & Delivery**

Resin must be packed and shipped in such a way that spills are prevented and the resin is protected from dirt, moisture or other forms of contamination. Bulk resin delivery is the responsibility of the resin supplier until the material is properly loaded in the correct bulk silo. Any spills must be cleaned up immediately by the carrier and prevented from contaminating the nearby environment.

#### **2.1.1.4. Materials Safety Data Sheet (MSDS)**

An MSDS is required for all resins and should be provided to the Mitchell / Ultra purchasing contact. To comply with Canadian Law, a new MSDS is required every three years or when there is a formulation change.

#### **2.1.1.5. International Material Data System (IMDS)**

Suppliers must complete the necessary requirements in IMDS at least 30 days prior to production launch. This information must be complete and correct and submitted in a timely manner as requested by the Mitchell / Ultra supplier quality contact. IMDS is required for PPAP, and PPAP is a trigger for significant financial payments, so delays will not be tolerated.

#### **2.1.1.6. Process & Drying Guidelines**



Resin suppliers must provide processing recommendations for their material including drying parameters if required.

#### **2.1.1.7. Pre-Coloured Materials**

Coloured resin that is used for visual parts must go through the applicable OEM's colour approval process. The resin supplier is expected to provide appropriate resources to work through this colour approval process in a timely manner. After approval, the resin supplier must maintain systems and processes that assure consistent colour. The colour of each lot must be evaluated and a plaque supplied for evaluation on Mitchell / Ultra equipment.

#### **2.1.1.8. Annual Testing to FMVSS 302**

Materials must pass the requirements of the Federal Motor Vehicle Safety Standard 302 - Flammability of Interior Materials. Testing must be conducted annually and supplied to the appropriate Mitchell / Ultra supplier quality contact.

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## 2.1.2. Resin Delivery

Resin suppliers are expected to meet the following expectations for delivery.

### 2.1.2.1. EDI Capable

Resin suppliers are expected to be EDI capable to receive electronic releases.

### 2.1.2.2. Bulk Shipment

Bulk resin delivery is the responsibility of the resin supplier until the material is properly in the correct bulk silo. Any spills must be cleaned up immediately by the carrier and prevented from contaminating the nearby environment.

At delivery a load sample must be provided, which will be retained and available for testing if issues arise.

The delivery driver must follow the procedure for loading the silo. This includes:

- Having the appropriate person unlock the correct silo.
- Using the correct loading pressure as identified on each silo.
- Monitoring the fill process to ensure issues are identified quickly.
- Follow silo fill verification and lock up process.
- Cleaning up any resin spill.

## 2.2. Colourant

### 2.2.1. Colourant Quality

Colourant suppliers are expected to meet the following expectations for Quality.

#### 2.2.1.1. Material Approvals

PPAP of colourant is not required unless requested by the OEM (see AIAG PPAP Manual, Introduction, Applicability). The OEM's colour approval process will be used to determine the nominal colour measurement. Each new lot of colourant must be verified by the supplier by moulding a sample plaque and measuring the colour. A sample plaque and Certificate of Conformance will be shipped with each new lot. When compared to the approved master the allowable variation acceptable in the sample plaque is a  $\Delta E \leq 1.0$  when measured on Mitchell / Ultra equipment.

#### 2.2.1.2. Lot Traceability



Colourant must be identified so that lot traceability can be maintained. This would include proper labelling for boxed, drum or Gaylord packed material.

#### 2.2.1.3. Packaging & Delivery

Colourant must be packed and shipped in such a way that spills are prevented and the product is protected from dirt, moisture or other forms of contamination.

#### 2.2.1.4. Materials Safety Data Sheet (MSDS)

An MSDS is required for all colourant and should be provided to the Mitchell / Ultra purchasing contact. To comply with Canadian Law, a new MSDS is required every three years or when there is a formulation change.

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### 2.2.1.5. International Material Data System (IMDS)

Suppliers must complete the necessary requirements in IMDS at least 30 days prior to production launch. This information must be complete and correct and submitted in a timely manner as requested by the Mitchell / Ultra supplier quality contact. IMDS is required for PPAP, and PPAP is a trigger for significant financial payments, so delays will not be tolerated.

### 2.2.1.6. Mix Ratio

Colourant must be identified with the appropriate mix ratio which must not change unless approval is given in writing. Mix ratio must be shown on the container label and Certificate of Conformance supplier with each lot.

## 2.2.2. Colourant Delivery

Colourant suppliers are expected to meet the following expectations for delivery.

### 2.2.2.1. EDI Capable

Colourant suppliers are expected to be EDI capable to receive electronic releases.

## 2.3. Components

### 2.3.1. Component Quality

Component suppliers are expected to meet the following expectations for quality.

#### 2.3.1.1. Drawings / Specifications / Request for Quote



Each component must be adequately defined for fit, function, and performance. This definition should be on a product drawing specifying dimensions, tolerances, critical features, functional, appearance and performance specifications. During early sourcing and development some of this data may be found on a Request for Quote, but should be transferred to the product drawing prior to PPAP. All drawings must be reviewed and approved by the supplier and Mitchell / Ultra. Suppliers must submit, and have approved, any limit samples required.

#### 2.3.1.2. Advanced Product Quality Planning (APQP)

All component suppliers are required to follow a structured Advanced Product Quality Planning Process as outlined in the AIAG APQP manual. Mitchell / Ultra reserve the right to review the supplier APQP process and associated documentation for completeness and effectiveness.

#### 2.3.1.3. Production Part Approval Process (PPAP)

All component suppliers are required to submit PPAP and obtain approval as outlined in AIAG PPAP manual. A PPAP level 3 will be required unless otherwise communicated in writing by the Mitchell / Ultra supplier quality representative. Each PPAP will contain 2 representative samples per part and cavity for the Mitchell / Ultra plant to retain (this may include AAR samples when applicable). Gauge R&R over 10% must be approved by the Mitchell / Ultra Quality Engineer prior to PPAP approval.

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#### 2.3.1.4. Customer Specific Requirements

Specific OEM Customer Specific Requirements may apply depending on the component being supplied. Supplies must comply with OEM Customer Specific Requirements as they apply to the product being supplied. Suppliers unsure of which OEM Customer Specific Requirements apply to them should consult their Mitchell / Ultra supplier quality representative.

Some examples of these requirements are:

- AIAG CQI-09 Special Process: Heat Treating Assessment
- AIAG CQI-11 Special Process: Plating System Assessment
- AIAG CQI-12 Special Process: Coating System Assessment
- AIAG CQI-15 Special Process: Welding System Assessment
- AIAG CQI-17 Special Process: Soldering System Assessment
- AIAG CQI-23 Special Process: Molding System Assessment
- AIAG CQI-27 Special Process: Casting System Assessment
- Restricted and Reportable Chemicals
- Early Production Containment

Additional Customer Specific Requirements for IATF 16949 subscribing OEM's can be found online at <http://www.iatfglobaloversight.org> .

#### 2.3.1.5. Shelf Life

Components with a shelf life must be clearly identified as such by the supplier. A date of manufacture or expiry date must be clearly printed on the label. Products shipped must have enough life remaining to be consumed in the normal course of business. The supplier must work with the Mitchell / Ultra Buyer to ensure release schedules take into account shelf life.

#### 2.3.1.6. International Material Data System (IMDS)



Suppliers must complete the necessary requirements in IMDS prior to production launch. This information must be complete and correct and submitted in a timely manner as requested by the Mitchell / Ultra supplier quality contact. IMDS is required for PPAP, and PPAP is a trigger for significant financial payments, so delays will not be tolerated.

#### 2.3.1.7. Appearance Approval

Suppliers will work with Mitchell / Ultra for ensure timely OEM appearance approval when required.

#### 2.3.1.8. Tool Ownership / Maintenance / Bailey Receipt

Any tool, gauge or equipment that is paid for by Mitchell / Ultra will be considered to be owned by Mitchell / Ultra. Tools, gauges or equipment owned by Mitchell / Ultra must be clearly identified with a permanent "Property of Mitchell / Ultra" tag. The supplier is expected to protect, maintain, and service all tools, gauges or equipment owned by Mitchell / Ultra in their possession. Suppliers must complete and return a Bailey Receipt for all Mitchell / Ultra owned tools, gauges or equipment. Photos of Mitchell / Ultra owned tooling and equipment must be submitted with each PPAP package at launch. These

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requirements also apply to tools or equipment that our customer owns that are in the possession of the supplier (marking will be as directed by the Mitchell / Ultra Program Manager).

#### **2.3.1.9. Validation testing**

Suppliers are responsible to ensure the products they supply are adequately validated. This includes testing to all agreed specifications. All validation testing must be complete prior to PPAP or a written deviation is required. Annual Validation, including dimensional layout, may be required by the OEM or Mitchell / Ultra Quality Engineer. When required, Annual validation will be documented on the suppliers Control Plan. Date of PPAP (or interim) approval will constitute the start time for the annual requirements.

#### **2.3.1.10. Early Product Containment**

It is an expectation that component suppliers conduct product containment (100% inspection) for a minimum of 2000 pcs or 30 production days of defect free product, whichever comes first. This is to validate production processes for stability and capability during the start of production and prevent flow out of issues.

#### **2.3.1.11. Special Labelling**

To increase the visibility of products that have a special conditions, it is required that the following additional labelling be used.

##### **All New Products**

- Identified with a GREEN label or sticker for 5000 pieces or 3 shipments, whichever is less.

##### **Product being contained for an issue**

- Identified with a YELLOW label or sticker until a permanent corrective action is in place and verified. There should also be a 3x5 label on each container with Sorted for “defect” and clean point date.

##### **New Level Products**

- After the implementation of an engineering change the supplier must identify the new level product with a BLUE label or sticker for 5000 pieces or 3 shipments, whichever is less. There should also be a 3x5 label on each container with brief change description.



The Mitchell / Ultra quality representative may increase these quantities or add additional identification requirements when situations warrant.

### **2.3.2. Component Delivery**

Component suppliers are expected to meet the following expectations for delivery.

#### **2.3.2.1. EDI Capable**

Component suppliers are expected to be EDI capable to receive electronic releases.

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## 2.4. Paint

### 2.4.1. Paint Quality

Paint suppliers are expected to meet the following expectations for quality.

#### 2.4.1.1. Materials Approvals

PPAP of paint is not required. The OEM's colour approval process will be used to determine the nominal colour measurement. Each new lot of paint must be verified by the supplier by painting a sample plaque and measuring the colour. A painted sample plaque and Certificate of Conformance will be shipped with each new lot. When compared to the approved master the allowable variation acceptable in the sample plaque is a  $\Delta E \leq 1.0$  when measured on Mitchell / Ultra equipment.

#### 2.4.1.2. Material Safety Data Sheet (MSDS)

An MSDS is required for all paint and should be provided to the Mitchell / Ultra purchasing contact. To comply with Canadian Law, a new MSDS is required every three years or when there is a formulation change.

#### 2.4.1.3. International Material Data System (IMDS)

Suppliers must complete the necessary requirements in IMDS prior to production launch. This information must be complete and correct and submitted in a timely manner as requested by the Mitchell / Ultra supplier quality contact. IMDS is required for PPAP, and PPAP is a trigger for significant financial payments, so delays will not be tolerated.

#### 2.4.1.4. Assistance with Appearance Approval Process

Paint suppliers are expected to provide adequate resources to obtain OEM appearance approvals for their paint, applied with the Mitchell / Ultra production intent process.

#### 2.4.1.5. OEM Approvals

Paint technologies must be approved to an OEM specification. Paint must be Certified to an OEM Specification. A copy of the certification must be sent to the appropriate Mitchell / Ultra representative with each new lot.

#### 2.4.1.6. Paint Specification Sheet



Paint supplied must have a specification sheet. The spec sheet should contain at a minimum:

- Mix ratios (if applicable)
- % solids
- Recommended film build
- Dry hiding thickness
- Gloss
- Package Viscosity

### 2.4.2. Paint Delivery

Paint suppliers are expected to meet the following expectations for delivery.



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#### 2.4.2.1. EDI Capable

Paint suppliers are expected to be EDI capable to receive electronic releases.

#### 2.4.2.2. Freeze Indicator

Suppliers of water based paint are required to ship product with a freeze indicator (0°C / 32°F) from December 1<sup>st</sup> to March 31<sup>st</sup> or whenever air shipments are utilized.

### 2.5. Hydro-Graphic Film / Applique Film

#### 2.5.1. Film Quality

Film suppliers are expected to meet the following expectations for quality.

##### 2.5.1.1. OEM Approvals

Film materials must have both appearance and performance approvals as required by the OEM. Suppliers of these products must take into account product stretch, pattern orientation and substrate colour when developing film products.

##### 2.5.1.2. Certification / Appearance Sample

Suppliers of film products must submit a certificate of conformance and a sample from each lot. The certificate should indicate that key attributes of the film appearance, performance, and size have been verified as conforming to specifications that have been agreed to.

##### 2.5.1.3. International Material Data System (IMDS)

Suppliers must complete the necessary requirements in IMDS prior to production launch. This information must be complete and correct and submitted in a timely manner as requested by the Mitchell / Ultra supplier quality contact. IMDS is required for PPAP, and PPAP is a trigger for significant financial payments, so delays will not be tolerated.

#### 2.5.2. Film Delivery

Film / Applique suppliers are expected to meet the following expectations for delivery.

##### 2.5.2.1. EDI Capable

Paint suppliers are expected to be EDI capable to receive electronic releases.

##### 2.5.2.2. Packaging



Film / Applique suppliers are expected to package their product to protect it from damage and moisture.

### 2.6. Check Fixtures

#### 2.6.1. Quality & Delivery

Check fixture suppliers must ensure that the fixture design and build conforms to the OEM fixture requirements, the Mitchell / Ultra Gauge Standards and as stated in a Request for Quote and / or purchase order. Suppliers must manage the design, build and verification process so that delivery of fixtures is on time to the agreed on program timing.

Fixture suppliers will verify the fixture by passing a Gage R&R, with production representative parts, at their facility. The requirements of the Gage R&R will be based on OEM requirements.

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If none are given it will be assumed to be 10 parts, 3 operators, 3 times with a total variation less than 10%.

Weekly progress reports may be requested by Mitchell / Ultra to monitor progress. Mitchell / Ultra and its customer reserve the right to visit the fixture shop to verify status.

## **2.7. Assembly Equipment**

### **2.7.1. Quality & Delivery**

Assembly equipment suppliers must ensure that the equipment design and build conforms to the Mitchell / Ultra Equipment Standards and the purchase order. The latest copy of the standard should be requested from the Mitchell / Ultra contact before quoting. Suppliers must manage the design, build and verification process so that delivery of equipment is on time to the agreed on program timing.

Equipment verification will be carried out as outlined in the Mitchell / Ultra Equipment Standards.

Progress reporting will be carried out as outlined in the Mitchell / Ultra Equipment Standards. Mitchell / Ultra and its customer reserve the right to visit the equipment shop to verify status.

## **2.8. Injection Moulds**

### **2.8.1. Quality & Delivery**

Injection Mould suppliers must ensure that the mould design and build conforms to the Mitchell / Ultra Mould Standards and the purchase order. The latest copy of the standard should be requested from the Mitchell / Ultra contact before quoting. Suppliers must manage the design, build and verification process so that delivery of moulds is on time to the agreed on program timing.

Injection Mould verification will be carried out as outlined in the Mitchell / Ultra Mould Standards.

Progress reporting will be carried out as outlined in the Mitchell / Ultra Mould Standards. Mitchell / Ultra and its customer reserve the right to visit the mould shop to verify status.



## **2.9. Thermoforming Tools**

### **2.9.1. Quality & Delivery**

Thermoforming Tool suppliers must ensure that the tool design and build conforms to the Mitchell / Ultra Thermoforming Tool Standards and the purchase order. The latest copy of the standard should be requested from the Mitchell / Ultra contact before quoting. Suppliers must manage the design, build and verification process so that delivery of tools is on time to the agreed on program timing.

Thermoforming Tool verification will be carried out as outlined in the Mitchell / Ultra Thermoforming Tool Standards.

Progress reporting will be carried out as outlined in the Mitchell / Ultra Thermoforming Tool Standards. Mitchell / Ultra and its customer reserve the right to visit the tool shop to verify status.

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## 2.10. Paint Racks & Equipment

### 2.10.1. Quality & Delivery

Paint Racks and Equipment suppliers must ensure that the rack and equipment design and build conforms to the Mitchell / Ultra Paint Racks & Equipment Standards and the purchase order. The latest copy of the standard should be requested from the Mitchell / Ultra contact before quoting. Suppliers must manage the design, build and verification process so that delivery of paint racks and equipment is on time to the agreed on program timing.

Paint Racks and Equipment verification will be carried out as outlined in the Mitchell / Ultra Paint Racks & Equipment Standards.

Progress reporting will be carried out as outlined in the Mitchell / Ultra Paint Racks & Equipment Standards. Mitchell / Ultra and its customer reserve the right to visit the tool shop to verify status.

## 2.11. Packaging

### 2.11.1. Quality & Delivery

Expendable packaging must be supplied per the agreed on lead time in the configuration approved at time of launch. Any changes must be validated and approved by the Mitchell / Ultra Process Engineer before they can be shipped into the manufacturing plant.

## 2.12. Services

### 2.12.1. Definition of Service Providers

Any outside company working on Mitchell / Ultra property is a service provider. Lab and Testing services also fall into this category. Suppliers providing other commodities may also be considered service providers if they are providing support for their products on site.

### 2.12.2. Sign In

All service providers must sign in and wear a visitor badge when on site. After hours sign in can be arranged through the Mitchell / Ultra contact, but must still occur.

When signing in, it is expected that the "Welcome Letter" posted at reception is read and complied with.



### 2.12.3. Health & Safety and Environmental Compliance

When working at a Mitchell / Ultra site it is expected that all health and safety and environmental rules be followed. These include legal requirements, best practices and specific rules as outlined in the Welcome Letter.

### 2.12.4. Evidence of Compliance

To ensure compliance Mitchell / Ultra requires evidence of compliance to a number of legal and regulatory systems. Before being granted access to the plant floor, Service suppliers must provide evidence for:

- Proof of liability insurance

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As appropriate, one or more of the following may also be required. This list may not be inclusive to the applicable jurisdiction but should be used as a reference for what may be required.

- Evidence of qualification for:
  - Technical Standards Safety Association Licence
  - Ozone Depleting Substances handling Licence
  - Lawn Chemicals handling Licence
  - Electricians Licence
  - Plumbers Licence
  - Crane Operation Safety Certificate
  - Forklift Operation Safety Certificate
  - Elevated Work Platform Safety Certificate
  - Certificate of Approval (Waste Handling & Disposal)
  - Hazardous Waste Information Network (HWIN) Registration
  - Confined Spaces Safety Certificate

Evidence should be provided by the supplier proactively. Employees of the supplier may be denied access to a Mitchell / Ultra facility if appropriate evidence is not on file.

#### **2.12.5. Lab and Testing Services**

All outside lab and testing suppliers must be acceptable to the OEM and/or be accredited to ISO/IEC 17025 or national equivalent (see IATF 16949 Section 7.1.5.3.2 External Laboratory). This accreditation along with a lab scope is required to be kept on file at Mitchell / Ultra.

### **3. Failure to Meet Expectations**

Failure to meet the expectations outlined in this document can lead to a significant disruption to the operations of Mitchell / Ultra and potentially to our customers as well. These disruptions stress the resources of our company and drive additional costs and waste. It is in everyone's best interest to minimize or eliminate these disruptions for maximum efficiency and customer satisfaction in the global marketplace.

When expectations are not met, additional costs are incurred to manage and rectify the situation. Suppliers are expected take ownership of these costs. Attachment 2 – Fee Schedule contains a list of standard costs for potential situations.

Suppliers will be monitored for compliance to expectations and may be asked to participate in improvement activities when negative trends exist. Failure to comply with expectations could potentially lead to de-sourcing of a supplier.

The processes that will be followed by Mitchell / Ultra when expectations are not met will general fall into two categories, quality or delivery, as outlined below.

### 3.1. Quality Expectations Not Met

When quality issues are identified in supplied products or services, Mitchell / Ultra will follow its Discrepant Material Report (DMR) Process. The Supplier is expected to participate as shown below.

The general outline of the DMR process is as follows:

Timing	Steps	Responsible
Within 24 Hours	Issue identified.	Mitchell / Ultra or Supplier
	DMR opened.	Mitchell / Ultra
	Supplier notified.	Mitchell / Ultra
	Suspect product identified and segregated.	Mitchell / Ultra and Supplier
	Supplier manages sort and/or replacement of rejected material. Returned Materials Authorization (RMA) and shipping instructions must be provided at this time for defective product.	Supplier
Within 5 Business Days	Root cause identified.	Supplier (with Mitchell / Ultra assistance if necessary)
	Plan for permanent corrective and preventative action developed.	Supplier
Within 30 Business Days	Corrective action implemented and verified.	Supplier
	Preventative action in place.	Supplier
	Issue closed.	Mitchell / Ultra
	Cost impact assessed and debit notice created and sent.	Mitchell / Ultra

Suppliers are expected to follow a disciplined problem solving approach using the 8D format in the Plex supplier portal. Documentation of corrective actions must be uploaded into the CAR in the Plex supplier portal.

Mitchell / Ultra and its customers may send personnel to assist suppliers with issues that are significant or recurring. Suppliers are expected to fully cooperate and provide adequate resources to resolve issues quickly.

Charges from a Mitchell/Ultra customer for Supplier responsible quality issues will be passed on to the supplier, in the addition to other non-compliance costs or fees levied by Mitchell/Ultra.

### 3.2. Delivery Expectations Not Met



When delivery issues are identified, Mitchell / Ultra will follow its Receiving Discrepancy Report (RDR) Process. The Supplier is expected to participate as shown below.

The general outline of the RDR process is as follows:

Timing	Steps	Responsible
Within 24 Hours	Issue identified.	Mitchell / Ultra or Supplier
	RDR opened.	Mitchell / Ultra
	Supplier notified.	Mitchell / Ultra
	Supplier manages short term correction of issue as required.	Supplier
Within 5 Business Days	Root cause identified.	Supplier (with Mitchell / Ultra assistance if necessary)
	Plan for permanent corrective and preventative action developed.	Supplier
Within 30 Business Days	Corrective action implemented and verified.	Supplier
	Preventative action in place.	Supplier
	Issue closed.	Mitchell / Ultra
	Cost impact assessed and debit notice created and sent.	Mitchell / Ultra

Suppliers are expected to follow a disciplined problem solving approach using the 8D format in the Plex supplier portal. Documentation of corrective actions must be uploaded into the CAR in the Plex supplier portal.

Charges from a Mitchell/Ultra customer for Supplier responsible delivery issues will be passed on to the supplier, in the addition to other non-compliance costs or fees levied by Mitchell/Ultra.

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Attachments:

**Attachment 1 – Fee Schedule**

**Attachment 2 – Bailey Receipt**

- To be signed and returned for Mitchell / Ultra owned tooling

**Attachment 3 – Corporate Social Responsibility Statement**