



TABLE OF CONTENTS

1. GENERAL POINTS & AIM	page 3
2. A SUPPLIER IS CHOSEN FOR A PRODUCT ACCORDING TO:	page 4
3. RFQ & TEAM FEASIBILITY COMMITMENT	page 5
4. THE ORDERS	page 6
5. NOTIFICATION AND SUBMISSION	page 6
6. PPAP APPROVAL	page 7
7. CAST & COMPONENT SCRAPE RATE	page 7
8. NON-CONFORMITY	page 7
9. PRODUCT/PROCESS EVOLUTION	page 8
10. TOOLING	page 8
11. ARCHIVING	page 8
12. LOGISTIC PROTOCOL	page 8
13. CONTRACT	page 8
14. TRANSMISSION AND ACKNOWLEDGEMENT OF RECEIPT OF THE ORDERS	page 8
15. DELIVERY DATE REQUESTED	page 8
16. RESPECT OF THE QUANTITIES	page 9
17. CONSIGNMENT STOCK	page 9
18. DELIVERY OF GOODS	page 9
19. INFORMATION AND COMMUNICATION	page 9
20. END OF SERIE	page 9
21. MMOG/SUPPLIER SELF ASSESSMENT	page 9
22. WARRANTY AND LIABILITY	page 10
23. INSURANCE	page 10
24. CONFIDENTIALITY – ADVERTISING	page 10
25. INTELLECTUAL PROPERTY	page 10
26. TERMINATION CLAUSE	page 10
27. SUBCONTRACTING	page 10
28. INTUITU PERSONAE	page 10
29. APPLICABLE LAW - JURISDICTION	page 11
APPENDIX 1 Rules for calculating costs caused by supplier non-quality	page 12
APPENDIX 2 Final CSL1 & CSL2 inspection	page 13
APPENDIX 3 Quotation of supplier	page 14
APPENDIX 4 Team feasibility commitment	page 17

1. GENERAL POINTS & AIM

The manual applies to the suppliers of products used to make the products manufactured by STREIT.

Execution of quotations and orders supposes acceptance and application of these terms and conditions and waiver by the supplier of its general sales terms and conditions.

No modification made by a supplier to the clauses contained in this document may be taken into account.

The aim of this manual is to give STREIT suppliers all of the Supplier Quality Assurance (SQA) principles which shall make up our common working basis (quality, delivery, cost ...).

The aim is that all suppliers are aware of and apply the processes laid out in this document. This section clearly defines STREIT's operating procedure with regard to suppliers and lays down objectives (process control, levels of capability, etc.).

Being in Quality Assurance means both:

- Making all provisions needed to satisfy each customer,
- And ensuring that these provisions are properly implemented, sustainable and effective.

The purchasing policy is based on the selection of a panel of suppliers showing the ability to ensure the quality of products and services, the reliable practice of product, process and service certifications, and the ability to develop a continuous improvement approach to achieve zero defect.

Objectives of the protocol

The **STREIT** Company wishes to establish a process of continuous improvement of their reliability through a close cooperation with its suppliers for the knowledge and respect of the commitments of delivery times and quantity, quality and cost in order to offer the best service to its clients.

Performance (Supplier quality monitoring)

It undertakes to comply with the quality targets formalised with STREIT (PPM, delivery performance. Payment of Added Value lost by STREIT, productivity) re-transcribed in the contract and which have been the subject of negotiation. Prerequisite for any relationship. The latter must be dated, signed and initialled.

1.1 ASSESSMENT OF THE DELIVERY PERFORMANCE

The respect of delivery times and of the quantities required is assessed through a measure in real time of the rate of supplier service. In case of delay or anticipation of a delivery, or in case of incomplete delivery not validated beforehand with the STREIT logistics manager, the delivery will be considered faulty.

The service rate measure is performed as follows:

- **0** : if the delivery does not correspond to the delivery schedule, whether it regards the quantity level and/or the date (ahead or behind schedule)
- **1** : if the delivery corresponds correctly to the delivery schedule or to the commitments made by the supplier after a negotiation of the delays and/or quantities.
- Number of line stoppage

1.2 ASSESSMENT OF THE QUALITY PERFORMANCE

- Scrap rate of defective part isolated on Streit production plants
- Number of claim
- No recurrence, No defect pass-through Streit (detected by Streit's customer)
- Reactivity of answer in case of issue mentioned by Streit

1.3 ASSESSMENT OF THE COST PERFORMANCE

- Productivity allowed per year
- Any action which would lead to an improvement in prices

STREIT and his customer reserves the right to carry out audits at any time in order to check the full compliance of the organisation, process, product regarding all Streit requirements.

PURCHASING MANUAL

2. A supplier is chosen for a product according to:

Its skills and experience,

Its wish and ability to allow STREIT to benefit from them.

Acceptance by STREIT of the supplier's product does not exempt the latter from their liability.

The supplier is in Product Quality Assurance (QPA) once the first order is placed (firm order or call-off on open-end order). The supplier is responsible of performing all necessary inspections, organisation ... : the supplier is on control delegation. Therefore STREIT delegates the performance acceptance tests of the parts to the supplier before shipment to STREIT, aiming to ensure 100% of conformity of products supplied ; therefore the supplier as a specialist is wholly liable for the compliance of the productions supplied (in line with customer standards and related international standards).

		Minimum requirements	For application :			
			Automotive	Non-automotive		
To enter on Streit supplier panel	Step 1	To send information requested in "Supplier Preliminary Evaluation"	Yes			
		To accept the "Purchasing Manual"				
		To validate the doc of "Respect of reach legislation" ⁽¹⁾				
		To validate the doc of "Confidentiality agreement"				
		To validate the doc of "Conflict Mineral" ⁽¹⁾				
		To validate the doc of "Code of conduct" ⁽²⁾				
		To have a Sustainable financial situation				
		To have a quality system			Mandatory	Mandatory
		To be certified "ISO 9001" ⁽³⁾			Mandatory	Expected
	To be certified "ISO TS 16949" ⁽³⁾	Expected				
	ISO 14001 and 18001	Expected	Expected			
	Step 2	To perform the self-audit and send it back to STREIT		Yes, for non-certified suppliers		
	Step 3	To obtain a minimum level result on audit performed by Streit	To obtain a green level	To obtain a yellow level minimum and actions plan defined and approved by Streit		

(1) Furthermore, the Supplier undertakes to comply with all safety and environmental regulations, REACH and CONFLICT MINERAL. For all supplies of chemical products and before any request from STREIT, the supply undertakes to issue safety data sheets in their English version and in the language of the destination country.

(2) Concealed work

In accordance with legislation to counter concealed work (articles L.8221-1 and L.8221-2 of the *Code du Travail* [employment law], the Supplier shall guarantee to the Customer that its employees and those of its subcontractors who are involved in the execution of the Contract are properly employed, in accordance with articles L.3243-1 et seq and L.1221-10 et seq of the *Code du Travail* and/or any applicable equivalent legislation and/or national regulation.

To this effect, the Supplier shall proactively submit to the Customer the certification required by the aforementioned legal or statutory provisions.

(3) 100% of the parts must be compliant, and in order to do this, the supplier shall implement a quality assurance and management system which aims to reach a target of zero faults, consistent with ISO 9001/ISO16949 standards and suited to the methods and criteria defined by the applicable technical documents, standards, specifications and procedures which the Supplier is responsible for noting prior to the order.

Public Liability

Our requirements, with the aim of satisfying our customers, as well as complying with French law 98-389, of 19 May 1998. the transposition of European directive CEE 85/374 and directive 1999 /34/CE regarding liability arising from a defective product mean that we check that our partners have sufficient insurance cover to handle potential public liability claims.

The supplier must provide a process which guarantees compliance with all legislation in force, particularly with regard to safety and the environment, including in terms of storage, handling, recycling, disposal or destruction of materials.

All products or materials purchased must respect the regulatory restrictions in force in the country where they are manufactured and marketed.

3. RFQ & Team Feasibility Commitment

The supplier undertakes to provide an RFQ within 10 working days of its issue
The reply must be sent to the attached document (appendix 3 and 4.)

	Requirements	Automotive	Non-automotive
To answer a Request For Quotation	To use Streit RFQ to do the offer and answering to all questions ... Team feasibility fulfilled without non feasible element & blocking point	If the supplier is not on the Panel : minimum requested to send the quotation is : To validate the doc of " Confidentiality agreement "	
	The offer must take into account all the requirements of the document 740 E27 "Supplier: Submission Requirements"	In parallel, Step 1 - 2 - 3 described above need to be engage. A Supplier which is not on our Panel cannot be nominated.	

The quotation must be made according to drawing, customer request defined. Supplier must ask for clarification in case of any unclear data's.
Quotation have to reflect the piece price taking in consideration all aspect of this purchasing manual.

3.1 Prototype phase :

3.1.1 Offer price have to be received within 48 Hours after RFQ

The documents which make up the product definition file are as follows:

- Drawings (functional or execution).
- Functional or technical specifications. Customer standards or specifications.

Parts manufactured in limited edition or spare parts (SP) shall be manufactured at costs identical to mass production parts. No additional costs may be invoiced.

3.2 Development phase :

3.2.1 Team Feasibility Commitment :

Linked to each offer, a TFC have to be filled (either customer or own file)

3.2.2 APQP list :

In case of request, an APQP list including all items not feasible with supplier's proposal could be requested. In any case, it will be mandatory for nomination and all items have to be closed for PPAP approval.

3.2.3 3D model :

A 3D model for casting part, matching 100% with the part ordered have to be shared with Streit. It could be done either by Supplier or Streit and have to contain :

- Parting line
- Draft
- Machining starting point
- Areas dedicated to Ingates, feeders, ejectors etc...
- Marking (P/N, pattern n°, core n°)

3.2.4 Tooling description :

Description of each tooling (pattern & core box, ..).

3.3 Prototype phase :

3.3.1 Protos casting deliveries are within 8 weeks (including design)

3.3.2 Setting parts : few parts (rejected foundry items) will be given for free for machining setting.

They will be package separately, individually marked (paint or something else) and package identify.

PURCHASING MANUAL

4. The orders

Mode of expression of the needs

STREIT uses several types of orders according to the status of the parts requested or the status of the supplier (AQP or non AQP).

Type or orders	Issuer	Frequency	Why
Open order	Purchasing department	At the time of signing the purchase agreement	Defines the contract clauses (price, incoterm, etc...)
Delivery schedule on open order	Logistics department	Monthly	Corresponds to a firm delivery schedule for parts to be delivered during the month M+1. The supplier is authorized to deliver only the firm orders.
Forecasts on delivery schedule	Logistics department	Monthly	Provided with the delivery schedule, they must allow the supplier to anticipate his production and to detect possible difficulties to deliver.
Closed order	Purchasing department	NA	The closed order intervenes in different cases: <ul style="list-style-type: none"> • Pre-series • Specific needs
Budget	Purchasing department	Twice yearly, unless there is any additional request from the supplier	Allows the supplier to ensure his production capacity over the medium and long term and to plan his own supplies of materials.

5. Notification and submission

New approval in case of modification of the product or process	<p><i>A new part or new product (that is to say, a part, material or colour not previously supplied to the customer). A submission is required for a new product (first approval) or an approved product which has a modified reference (e.g. revision number) or new reference number. The submission of a new part belonging to an existing family shall be performed by using, if appropriate, the PPAP documentation for a part from the same family that is already approved.</i></p>						
	List of documents requested for homologation Full documentation must be in English.	Proto	ODT	PPAP level 1 ⁽¹⁾	PPAP level 3/ 5 ⁽¹⁾	Serial	Spare parts
	01- Part Submission Warrant	X	X	X	X		X
	02- Open issue list & Team feasibility commitment (with all point closed) discussed during the development		X		X		
	03- Process flow chart				X		
	04- Process FMEA (Action list and date) according to AIAG FMEA / Max IPR = 50		X		X		
	05- Control plan	X	X	X	X		X
	06- IMDS				X		X
	07- Dimensional report (1 part per cavity) from 3D machining with cuts of the parts to validate the wall thickness, or Scanning taking in account all the cuts of the drawing.	X	X	X	X		
	08- Drawing with items linked with measurement report	X	X	X	X		X
	09- Material report with mechanical property	X	X	X	X		X
	10- Run & Rate capacity sheet for each operation.				X		
	11- Pareto / Result of reject rate.		X		X		
	12- Measurement System Analysis Studies according to AIAG MSA ⁽²⁾				X		
	13- Packaging instruction (Identification, must ensure the intrinsic qualities of the products : prevention against rust, pollution, chock ...), ⁽³⁾				X		
	14- Result of process capability study on all critical characteristics (Expected value = Cpk 1.67 / 32 parts minimum selected on a batch of 300 parts minimum) ^{(4) (5)}			X <i>on concerned characteristics</i>	X	X	
	15- Explanation of parts identification	X	X		X		
	16- Tooling pictures with cavity number for the pattern and fore the core boxes with tool life (in quantity of parts).	X			X		
	17- Derogation in case of no conformity	X	X	X	X	X	X
	18- List of sub-Supplier				X		
	19- List of visual check (traceability, burrs, porosity...)	X	X		X		
	20- EPCP – Early Production Containment Plan for 3 first deliveries (definition ...)				X		
	If required :						
	21- Heat treatment record				X		
	22- Cleanliness results.				X		
	23- Crack test inspection				X		
	24- Pouring simulation.				X		
	25- Radiography of the parts (one per cavity)				X		
	26- Product audit (one per year) ⁽⁶⁾					X	

(1) PPAP level 3 is applicable for all new project (full documentation) / * level 5 = audit on supplier plant in addition of the presentation. PPAP level 1 is applicable for small modification, minor evolution. Without information about PPAP level in the order, the level 3 is required.

- (2) **Capability of Measuring system** : STREIT requires statistical studies (R&R studies) for all the specific measuring systems appearing in the monitoring plans and the presentation of initial samples. In the absence of any specific requirement, apply the MSA.
- (3) **Packaging** : All shipments and each container must be packaged in a compliant manner, and identified with the STREIT reference number. The packing conditions must ensure the intrinsic qualities of the products. The absence of corrosion must be ensured for the acceptance period + 12 months. STREIT undertakes to ensure there is suitable storage during this time period.
- (4) **The supplier must have a documented process to identify special characteristics, other than those identified by STREIT.**
Special characteristics : characteristics of a product or process subject to variations which may affect the safety or compliance with legislative regulations, fitness for purpose, function, performance or subsequent conversion (in the case of raw or semi-finished products) of the Products are detailed in the production process for the products, and require special attention during checking activities such as inspections and tests, product and process audits, and dimensions subject to capability assessment. Approval applies to suppliers whose sites produce bulk materials, raw materials, production parts or services.
- (5) **Capa process** : Capabilities according to STREIT customers' specifications. The parts from identical production processes must be measured and a representative sample of these should be tested. E.g. each position of a mould with several die cavities.
- (6) **Product audit** : STREIT requires that all product characteristics must be measured at least once a year in order to demonstrate compliance with the specified requirements (dimensional and functional as specified in the design records). This audit report must be supplied (according VDA 6.5).

6. PPAP approval

Minimum requirements	
1.	Full PPAP compliance at the first time (quality, timing and cost).
2.	The parts must be sampled from a significant production campaign. This production must represent one to eight hours of production and this production must be carried out at the production site, using the tools, measurement system, product manufacturing process, materials and operators from the production environment.
3.	Self-validation of the PPAP must be performed by the supplier in order to guarantee full conformity of the PPAP, no delivery in case of NC detected. The PSW sheet is the summary of the full PPAP consequently the PSW is the evidencing document. The supplier is on control delegation.
4.	STREIT will notify to the supplier the status of the acceptance on the submitted PSW according 3 status : Approval : Ratifies compliance with the specifications and with STREIT's requirements. PSW and Streit production didn't identify any issue. Approval authorize to deliver parts on serial production order. Unblock the tooling payment according to Streit order. Or Interim : Allows the supply of parts to meet production needs for a limited period or a quantity agreed : Or Rejected : A new submission is required . The supplier must bring the PSW into conformity and ensure that the conforming parts are delivered in the shortest timing to not jeopardize the project. All delays and financial consequences will be taken in charge by the supplier <p style="text-align: right;"><i>If supplier imposed : documents must be provided to Streit with customer homologation</i></p>

Product approval - initial samples

The approval of the initial samples by STREIT does not release the Supplier from its responsibility.

The supplier shall bear, at STREIT's request, all of the costs resulting from quality disputes and their consequences, including the management costs incurred (fixed cost), without formal notification being necessary (cf. Appendix 1 & 2).

7. Cast & Component Scrape Rate

In the case of delivery of a non-compliant product (quality NOK, incorrect quantity, mix of products, damaged packaging...), the information will be sent to the supplier by the STREIT logistics department and/or by the STREIT quality department. An action plan will then have to be put in place immediately by the supplier and validated by the quality or logistics department of the relevant STREIT plant.

The supplier will then ensure the immediate replacement of the goods. He will ensure, at his own expenses, the return of the non-compliant parts. The expenses involved by the non-quality (sorting out, rework, replacement, line termination, special transports) will be fully recharged or borne by the supplier.

8. Non-conformity

As soon as a non-conformity notice is issued, the supplier must, within a maximum period of 24 hours and for the acceptance acknowledgement, draw up its emergency action plan to ensure that production lines are supplied and the necessary protective measures are taken. The corrective action plan must arrive with STREIT within a period of 48 hours. doc N°830 E15 to use by the Supplier

The supplier must submit the corrective actions to the quality department within 5 days, including the:

- search for the causes of the malfunction, as well as the recording thereof.
- corrective actions (action on the causes, awareness-raising of staff is not a corrective action), with the use of anti-error devices, at a level proportional to the size of the problems and the risks incurred.

The action plan must be CLOSED within 30 days with all update until all actions are undertaken to avoid new issue (recurrence)

Methods for verifying the implementation of corrective actions and the desired effect. Updating the control plan and the FMEA.

Mainstreaming of similar products and processes

Costs associated See Appendix 1.

CSL1 & CSL2 conditions : **(In the event of recurrence or if the supplier is not able to contain the problem).** See Appendix 2.

9. Product/Process Evolution

In case of product or process change need, the Supplier have to inform Streit in advance with the document Doc N°740 E28 "product / process change request" to have an approval. No change is possible before Streit agreement.

Need product or process change = Modification of part or component design, Supplier change, change or modification of machine, modification of process. After STREIT's written agreement, a PPAP Submission is mandatory.

The supplier is fully liable for customer problems underlying any change which is not validated by STREIT. All proposals must result in a quality improvement or gain in productivity and therefore provide STREIT with a saving in the price of the purchased product.

10. TOOLING

Some manufacture of parts requires the use of tooling. This tooling cannot, without written agreement de **STREIT**, be used either for the making of parts on behalf of third parties, or be transferred, converted or destroyed. This tooling will include an identification plate which shows clearly that the equipment is the property of STREIT or one of its customers and shall appear in the supplier's books as being provided by STREIT or its customer, who shall remain the owner thereof.

The supplier shall take on the safekeeping and risks of this tooling. It must at its expense be responsible for its maintenance, storage and restoration, and insure it on our behalf against all risks at its new-for-old value.

The supplier must, in addition, give STREIT sufficient notice of the renewal of tooling to be provided for.

The obligation to supply spare parts is imperative

11. ARCHIVING

An archiving system must be put in place, from the design documentation data to the compliance record data for mass-produced products up to the end of life of the product +10 YEARS for current products and +15 YEARS for safety & regulatory products.

STREIT reserves the right to check this information at any time.

12. LOGISTIC PROTOCOL

The logistic protocol is an addition to the contract between the supplier and his client **STREIT**

It defines the logistics rules, which must be respected by the supplier in order to ensure the sustainable development of the different processes (quality, costs, and deadlines).

Except as expressly provided, this protocol does not derogate from the contractual conditions that may exist between the supplier and **STREIT** and in particular from the general terms and conditions of purchase.

13. CONTRACT

The purchase manual is the general document that reminds for each supplier the rules to be a homologated STREIT supplier. It will be completed for each project by a contract. This contract summarizes the customer's data as well as the commercial and logistical data. This document prevails over all others. The order of prevalence is as follows.

- The contract
- The purchase manual
- The general terms and conditions of the supplier

The contract takes effect from the last date of signature and will be valid until the last request of the customer.

14. TRANSMISSION AND ACKNOWLEDGEMENT OF RECEIPT OF THE ORDERS

The Delivery Schedules are issued by **STREIT**. The delivery place to be considered by the supplier is specified on the document.

The frequency of the orders issuance is monthly: the supplier receives once a month the delivery schedules for the month M+1, with the information of the forecasted needs for the months M+2 and M+3.

The supplier has thus always a vision of the **STREIT** needs for 4 months.

The only commitment from STREIT corresponds to the volumes indicated for the month M+1.

The forecasts can never be regarded as orders, or delivery schedules.

The orders are sent by fax or by mail.

The acknowledge receipt of the orders (Firm orders and delivery schedules) must be imperatively confirmed by the supplier within 48 hours.

Without acknowledgement of receipt, the order is considered as accepted (in quantity and in delivery dates requested).

15. DELIVERY DATE REQUESTED

The orders are expressed in terms of delivery date on our docks for the suppliers delivering under the incoterms DAP, or in terms of collection date for the suppliers in EXW or FCA.

The supplier agrees to comply with the deadlines requested on the order, and to anticipate the risk situations (delay, non-compliance with the quantity, under-capacity, quality problems, etc...) for which he will be required to inform **Streit**.

In case of any difficulty to deliver at the requested date, the supplier shall immediately contact the logistics manager of the customer site in order to negotiate a possible modification of the delivery date.

16. RESPECT OF THE QUANTITIES

Each order expressed by STREIT must be delivered integrally.

In case of impossibility to satisfy the need, the supplier undertakes to communicate the information immediately to the logistics manager, in order to propose an action plan (special transports, etc.) which has to be first validated by STREIT before being engaged.

In case of non-respect of his commitments, or of impossibility to deliver the order, the supplier undertakes to bear all extra costs linked to the non-delivery (special transports, interruption of lines...)

17. CONSIGNMENT STOCK

Through its partnership with its suppliers the **STREIT** Company expects that its suppliers will implement a consignment stock.

The operating procedures of this stock will be defined by mutual agreement between the 2 parties, and will be covered under a consignment contract.

18. DELIVERY OF GOODS

The deliveries must be imperatively made at the unloading times of the site.

Any delivery outside of these times will be refused, except otherwise specified.

a. Guarantee of the selected carrier

The condition of the vehicles must comply with the applicable regulations. They must be in good working order, of presentation, maintenance and cleanliness.

The vehicle must ensure the preservation of the products in their care (covered truck). At the time of the loading into the vehicles, the supplier ensures the correct placement and stowing of the goods. STREIT may decline the unloading if the security conditions are not guaranteed, as well as the collaboration with a carrier if this situation is going to be repeated.

b. Security protocol

Any driver entering the STREIT sites must comply with the safety instructions, as well as with the Highway Code. The supplier must send to his carrier the sites security protocols provided by the STREIT logistics manager of the relevant plant.

c. Documentation accompanying the goods

All the deliveries must be accompanied by:

- A delivery note in compliance with the GALIA standard. This delivery note must imperatively show the STREIT order number and the STREIT reference
- A box label in compliance with the GALIA standard. This label must imperatively show the Streit order number and the Streit reference.
- The transportation document (CMR)
- The customs documents when necessary

Each container must be identified by a label type ODETTE, with bar code, indicating the quantity by container and the STREIT reference.

d. Unloading

The driver of the carrier shall be present during the unloading operations.

A first visual control is done in the unloading zone. If the goods show signs of damage (broken pallets, damaged packages...) the STREIT Company may refuse the unloading of the whole truck. If the number of packages does not comply with the documentation provided (BL and transportation warrant), or, if in the delivery there are non-ordered goods, it could also be entirely refused. If the unloading does not comply with the basic safety rules (stability of the pallets, truck in bad condition...) the goods will be entirely refused.

19. INFORMATION AND COMMUNICATION

Once the order has been accepted, the supplier undertakes to deliver in the compliant conditions of quality, quantity and delay, and he must implement the means necessary for the respect of his obligations and ensure the control of the information linked to the order delivery.

The supplier must establish a procedure to inform his client of any delay.

The supplier must provide STREIT a list of the contacts reachable at any time of the day or the week in case of need further to a delivery issue.

Closure for vacations

The supplier has to organize himself to ensure the deliveries including during his closing periods.

The supplier undertakes to communicate to STREIT his closure dates, as soon as they are known.

Any change must be communicated to the STREIT logistics manager.

20. END OF SERIE

The partners agree on the means to implement to minimize the costs of end-of-series. The objective being to reach the end of a series without residual stock. In order to achieve this, STEIT undertakes to communicate the date of the end of series of a product as soon as known. In return the supplier undertakes to communicate to STREIT its residual stock within 5 working days upon receipt of the information.

END-OF-PRODUCTION PROGRAMME

In the event of the end of production of a material or part, the supplier shall receive an end-of-production notice from the supplies department indicating the remainder to be supplied. The supplier shall guarantee that products prior to a modification or products at the end of production cannot be supplied.

21. MMOG/SUPPLIER SELF ASSESSMENT

STREIT requires its suppliers to have a risk assessment process in place to identify areas within the supply chain process that could affect the ability to meet the organization's requirements in the event of a deviation from the normal business process. This self-assessment has to be provided to the STREIT logistics manager.

22. WARRANTY AND LIABILITY

The Supplier is responsible for its product and its services with regard to STREIT and, if necessary, third parties, notwithstanding any clause to the contrary stipulated by the Supplier and stated on the order or the contract.

The Supplier shall guarantee STREIT, pursuant in particular to articles 1147 and 1641 et seq of the French *Code Civil* [civil code] against all visible or hidden defects in its products which particularly result from a design, compliance or production fault or which consist of a malfunction. It is bound by a performance obligation. The assistance which STREIT may provide to the Supplier to produce the products and the audits which STREIT reserves the right to carry out may not be considered as acceptance of the quality of the products of the supplier who will remain responsible for these after approval and acceptance of the products by STREIT.

The Supplier shall, furthermore, give STREIT a warranty covering the reimbursement or replacement free of charge of defective parts, labour and the reimbursement of damages caused by the defective part to other parts, costs of distribution and shall reimburse the cost of the warranty which STREIT gives to its customers.

The Supplier shall also bear all of the costs borne by STREIT in the case of a recall of the parts or assemblies concerned and connected by a defect in the product supplied by the Supplier in the destination country of the goods through STREIT.

The Supplier, as a professional in its specialist area, shall guarantee to STREIT, on the date that the "firm need, for its products is expressed, that the latter comply with the legislation in force.

The Supplier shall compensate STREIT for all the consequences, direct or indirect, for the liability which may be incumbent upon it personally, by way of bodily injury, material and immaterial damage caused to third parties, to STREIT and to its beneficiaries.

23. INSURANCE

The Supplier is obliged to take out a Product Public Liability insurance policy after delivery, covering it for an amount greater than or equal to the contract taken out by the end customer against the monetary consequences of the public liability that it may incur in the event of injury, material or immaterial damage, consequential or otherwise, caused to STREIT or to third parties, because of its products. This insurance must take account of the recall campaigns undertaken by STREIT. This insurance does not under any circumstances constitute a threshold for the Supplier's liability.

The Supplier is, in addition, obliged to make all the associated insurance certificates and their proof of payment available to STREIT.

24. CONFIDENTIALITY – ADVERTISING

The agreements concluded between the Supplier and STREIT are strictly confidential. The Supplier acknowledges that all orders are subject to strict confidentiality and undertakes to keep confidential and not to disclose or communicate to third parties, by any means whatsoever, the documents, drawings, know-how, procedures, information, tools or samples which have been sent to it by STREIT or to which it has access at the time of the call-for-tenders or the order, as well as the production which results therefrom. The Supplier shall take all measures necessary to ensure this confidentiality under all circumstances.

Commercial relations with STREIT must not give rise to direct or indirect advertising under any circumstances without the prior written agreement of STREIT.

25. INTELLECTUAL PROPERTY

STREIT shall hold the intellectual and industrial property rights as well as the know-how generated by the Supplier or its subcontractors in the execution of an order relating to items specific to STREIT. Items specific to STREIT means any entirely manufactured product or the specific adaptation of a pre-existing product to STREIT's needs, in accordance with specifications or equivalent provided by STREIT.

The Supplier shall transfer to STREIT the exclusive reproduction, distribution, representation, marketing, translation, use and adaptation rights for the items specific to STREIT.

Protectable by copyright, and this for the use of these rights for their entire term, throughout the world, without limitation of scope or purpose.

The Supplier undertakes not to contest its industrial and/or intellectual property rights which may be necessary for STREIT's needs. It undertakes to defend and compensate STREIT for the consequences of any action to counterfeit the industrial and/or intellectual property rights perpetrated by a third party and, at its expense, to modify the design of the counterfeiting product or to obtain a licence at its expense.

26. TERMINATION CLAUSE

In the event of a breach by the Supplier of its contractual obligations, STREIT shall have the ability, after no response is received to notice being served for a period of 15 days, to terminate its orders *ipso jure*, without prejudice to the right for damages. In the event of a breach by the supplier in its essential obligations (non-compliance with delivery dates, quality targets, non-compliance with the specifications or equivalent, modification made without prior written agreement from STREIT), STREIT may, without prejudice to its rights to damages, terminate the order *ipso jure* without prior notice or compensation.

After cancellation of the order, and with regard to the equipment belonging to STREIT, the supplier shall continue to provide safekeeping thereof until written instructions are received from STREIT.

27. SUBCONTRACTING

The Supplier shall not subcontract its obligations without prior written agreement from STREIT.

In the event that subcontracting is authorised, it shall be solely responsible with regard to STREIT.

28. INTUITU PERSONAE

The agreements between STREIT and the Supplier may not be disposed of or transferred without prior written agreement from STREIT. STREIT may terminate the aforementioned agreements *ipso jure* and without notice in the event of a breach of this obligation.

In the event of the assignment of shares or assets or a change in the direct or indirect effective control of its company, the Supplier will inform STREIT thereof, who may terminate the contractual relationship *ipso jure* and without notice.

29. APPLICABLE LAW - JURISDICTION

If amicable settlement does not occur within a period of three (3) months from notification of the dispute by one of the Parties, the commercial courts in the area of jurisdiction where STREIT's registered office is located will be solely competent, even in the event of emergency proceedings, multiple proceedings or parties.

Streit Groupe			<Supplier Name>
Date:			
Name and position of the signatory	Quality Groupe / Quality Supplier <Name>	Purchase Manager <Name>	
Signature :			

Appendix -1

Rules for calculating the cost caused by Supplier Non-Quality

QUALITY DISPUTE AND/OR CONSEQUENCE	AMOUNT OF COSTS INVOICED TO THE SUPPLIER
<i>Problem sorting carried out by STREIT</i>	<i>Management fixed rate + no. hours x (1)+(2)</i>
<i>Rectification carried out by STREIT</i>	<i>Management fixed rate + no. hours x (1)+ actual costs</i>
<i>Problem sorting carried out by the CUSTOMER</i>	<i>Management fixed rate + actual costs</i>
<i>Problem sorting or rectification carried out by the Supplier</i>	<i>Management fixed rate</i>
<i>Making good parts or components from stock, handling</i>	<i>No. of hours x (1) + other potential actual costs + management fixed cost</i>
<i>Rejects before conversion</i>	<i>Management fixed rate</i>
<i>Part reference error, unknown part mixture, labelling not compliant or missing</i>	<i>Part reference error fee</i>
<i>Late delivery (Delay)</i>	<i>0.05% of the amount ordered per day of delay</i>
<i>Difference in quantity</i>	<i>Fixed rate (3) + purchase price of missing parts</i>
<i>Rejects after conversion</i>	<i>(Lost added value + purchase price of rejected parts) x number of rejected parts.</i>
<i>Breaking of tools, machine breakdown, other (4)</i>	<i>Actual costs</i>
<i>Factory breakdown (shut-down)</i>	<i>Factory breakdown fee + Actual costs</i>
<i>Production stoppage connected to non-quality of the part</i>	<i>Actual costs</i>
<i>Miscellaneous costs (energy, travel, hotel, transport)</i>	<i>Actual costs</i>

- (1) Hourly rate for billing to the supplier = €30
- (2) Supervision and management fee per incident = €300
- Reference number error fee per incident: €500
- Factory breakdown fee per stoppage: €550 (for STREIT) / Actual cost for final customer ...
- Late delivery fee: 0.05% of the amount ordered per day of delay
- (3) Quantity discrepancy fee: €150
- (4) For example: Manufacture of specific replacement tooling (parts and labour) The minimum billing threshold is fixed at €150.

NB: The costs above concern sites in France and the EU:**With regard to other sites:**

- (1) Hourly rate for billing to the supplier = €20
- (2) Supervision and management fee per incident = €200
- Reference number error fee per incident: €300
- Factory breakdown fee per stoppage: €450 / Actual cost for final customer ...
- Late delivery fee: 0.05% of the amount ordered per day of delay.
- (3) Quantity discrepancy fee: €150
- (4) For example: Manufacture of specific replacement tooling (parts and labour). The minimum billing threshold is fixed at €150.
- In the event of stoppage of the production line attributable to the supplier at one or more STREIT sites: The costs will be passed on according to the formula below:

$$0.5 \times \text{RMPP (or SP)} \times \text{daily capacity} \times \text{number of hours of stoppage}$$

$$22.5$$
- 0.5: represents the (average) share of STREIT added value added to the cost of the raw materials (an increase in the hourly rate for Saturdays has been taken into account)
- RMPP: Raw materials purchase price
- SP: Subcontracting price
- Daily capacity: that sold on the contract
- 22.5: number of hours worked by 3 teams per day.
- To this a fee of €250 is added for management costs, plus the emergency transport costs.

Deliveries must comply with the ORA in terms of dates of receipt and quantity. STREIT may apply late penalties equal to two percent (2%) per week of delay from a period of five (5) working days following the initial date confirmed by the supplier for delivery, calculated on the price excluding tax (Ex. Tax) of the supplies not delivered, limited to an overall amount of 10% of the order concerned.

For low-value components, i.e. for those where the unit price is less than €1, a fixed-price penalty of €250 per working day up to a limit of 10% of the amount of the order will be applied.

Appendix 2

CSL1 & CSL2 FINAL INSPECTION

Definition: CSL1 (level 1 final inspection off line carried out by the supplier).
CSL2 (level 2 final inspection carried out by a third party, either at the supplier's premises, or at STREIT's premises, or at the end customer's premises).

Scope:
All of the raw products, or products machined or assembled on behalf of STREIT.

Implementation rules:

CSL1: In the event of faults

- Potential following FMEA
- Capabilities not compliant with requirements
- Recurrent or interconnected fault on product from new production or existing production.

For which no lock (poka-yoke, unitary control) is in place or is ineffective, a final inspection is required. This inspection will be carried out according to an inspection procedure with the list of criteria to be checked.

Location of final inspection : Off the production line

Recording of results:

In a specific document, stating:

- 1) List of criteria
- 2) Number of parts inspected
- 3) Number of defective parts by criteria inspected

Distribution of the results : A report will be sent to STREIT's quality representative.

Duration

The inspection shall be put in place for an indeterminate period, with the removal of this inspection being done on condition that corrective actions are put in place regarding the faults detected followed by 2 weeks without fault at the final inspection.

Note: The removal will only be effective with written agreement from STREIT, under no circumstances will this agreement release the supplier from its liability.

Responsibility conditions

The final inspection is the complete responsibility of the supplier,

CSL2: By an independent problem resolution company and not substituting for the FINAL CSL1 inspection.

A CSL2-type final inspection will be requested by STREIT from the supplier under the following circumstances:

- Detection of faults in the supplied products despite the implementation of a final CSL1 inspection..

Location of final CSL2 inspection : Defined by STREIT on a case-by-case basis.

Recording of results:

In a specific document, stating:

- 1) List of criteria
- 2) Number of parts inspected
- 3) Number of defective parts by criteria inspected

Distribution of the results : A daily report will be sent by the company responsible for the CSL2 inspection to STREIT's Quality representative

Duration

The inspection is put in place for a minimum period defined by the STREIT quality department, and the removal of this inspection will take place : condition that corrective actions are implemented, followed by a validation of these actions.

Note: The removal will only be effective with written agreement from STREIT, and under no circumstances will this agreement release the supplier from its liability.

The company responsible for the CSL2 inspection shall be liable if faults are detected after delivery in CSL2-inspected products. STREIT's supplier will be responsible for conducting actions with this Company.

Responsibility conditions

The final CSL2 inspection is the complete responsibility of the supplier.

PURCHASING MANUAL

APPENDIX 3 Quotation of supplier

Streit Groupe Requestor:		QUOTATION OF SUPPLIER											
RFQ Reference Number													
Delivery Address - Proto													
Clerval													
Delivery Address - Serial Production		Supplier			Description								
Delivery Address - Serial Production		Part N°			Project Application								
Delivery Address - Serial Production		2D Reference			3D Reference								
Note: Daily capacity must be calculated on 5 working days (or 240 working a year) ±15%		Year 1	Year 2	Year 3	Year 4	Year 5							
		Daily Capacity	Daily Capacity	Daily Capacity	Daily Capacity	Daily Capacity	0	0	0				
Timeline													
Supplier reply date		Prototype lead-time after order & design freeze			Pre-Prod Batch Date		PAP lead-time after order & design freeze		Supplier's SOP				
							?		weeks after homologation				
1. Raw material costs													
Desc./Type/Size/Grade/Supplier		Material	Exchange Rate	UOM kg/each/ltr/gram	Gross Usage	Net Usage	Price/UOM	Scrap (%)	Unit Cost				
				kg	0,0000		0,0000	0,0%					
				kg	0,0000		0,0000	0,0%					
				kg	0,0000		0,0000	0,0%					
				kg	0,0000		0,0000	0,0%					
				kg	0,0000		0,0000	0,0%					
Alloy				kg	0,0000		0,0000	0,0%					
		Mat. Scrap Value				0,0000	Sub Total (1)	0,0000					
2. Foundry Process Costs													
By Operation/facility/m-c size		Cell name/no	Operation N°	Sub-con Y/N	Working Hrs/Wk	Heads	parts/#hr (inc downtime)	Labour Rate/Hr	Facility Pieces Rate/Hr	Scrap (%)	Inspection cost / part	Unit cost	
Melting		1	10				0					0,0000	
Moulding&Pouring		1	20				0					0,0000	
Shot Blasting		1	30				0					0,0000	
End Scope inspection		1	40				0					0,0000	
Grinding		1	50				0					0,0000	
Pre-Machining		1	60				0					0,0000	
Assy		1	70				0					0,0000	
Leak Test		1	70				0					0,0000	
Cleaning&Package		1	100				0					0,0000	
		Sub Total (2)									0,0000		
3. Sand core Value - Procured Parts (From page 2)										Sub Total (3)	0,0000		
4. Fixed Costs - (Other costs)													
General Overheads/part											0,0000		
Tooling Replacement cost/part											0,0000		
Scraps cost/part											0,0000		
Capital depreciation /part											0,0000		
Other /part		Please specify :									0,0000		
Profit /part											0,0000		
		Sub Total (4)									0,0000		
5. Tooling costs													
Total Tooling Cost		0			Tooling Amortisation (if applicable)			0		Sub Total (5)		0,000	
Manufacturing Assumptions: please advise working patterns				TOTAL MANUFACTURING (1) + (2) + (3) + (4) + (5)				0,000					
				Quoted Currency:				Euro/RMB					
				Exchange rate:				0					
6.1 Packaging													
Description : Lost cardboard & pallet & VCI bags											Packaging cost - disposable / part		0,00
		Sub Total (6.1)									0,000		

PURCHASING MANUAL

APPENDIX 3 Quotation of supplier

Quality Management Form

	Yes	No	Result of feasibility evaluation according to following points 1 to 10
Feasible			Product can be manufactured in conformity with specifications without changes
			Changes are necessary
			Changes of design are needed for the production of the product

Feasibility considerations

The supplier quality team has considered the following questions in performing a feasibility evaluation. The drawings and/or specifications provided have been used as a basis for analyzing the ability to meet all specified requirements. All "No-Answers" must be supported with attached comments identifying our concerns and/or proposed changes to enable us to meet the specified requirements

Yes	No	N/A	Consideration	Responsible
			Is the part in respect of material or part geometry producible ?	
			Are the technical performance specifications relating to dimensional and technical demands	
			Is the product described reasonable ? (Requirements with regard to application)	
			Is the product producible in the conformity with the tolerances / machining allowances ?	
			Is the product producible with the required Cpk-value if critic attributes are defined ?	
			Is there a reasonable capacity of production for manufacturing the parts ?	
			Can the product be manufactured in standard process according the flow chart ?	
			Are there any risks by manufacturing the product ? IF yes... please details	
			Are the technical performance specifications relating to the customer specific guidelines of	
			Are there any cc/sc feature ? If yes, by the following specifications :	
			Are there any legal, magisterial restrictions including guidelines in environmental, industrial	

COMMENTS

If any comments, please specify :

PURCHASING MANUAL

APPENDIX 4 Team feasibility commitment

Request and line item data

Supplier name	
Part Number	
SOP customer	
RFQ End date	

Request Name	
Quote Payment Terms	0
Quote Delivery Terms	0
Quote Currency	EUR

Field legend:

- Buying company enters data
- Selling company enters data

Details/Breakdown

Fiscal Year	N	N+1	N+2	N+3	N+4	N+5	N+6	Total Volume
Volumes*								0
PPM Target*								
Piece Price*								
Ex Works								
Cash Disc.								
AIF%								
BI Desc.*								
Type of AIF*	Total Price							
Production								

- Can you confirm agreement on capacity to be installed
- Can and will you establish and implement process capability at required volume levels
- Will you maintain and improve your Quality Control System on a regular basis
- Do you measure 100% customer interface characteristics (CIC) (0 ppm for CIC is mandat
- Can you verify a II specified requirements at the projected volume levels will be kept

Volume Variance	Peak Volume	Weekly Capacity (in
	0	

note: CIC are not measured 100% systematically: defined inspection strategy in order to not deliver defective parts

Tooling Details

Tooling Type	Prototype/ Production	Tooling Description	Tooling Investment/Cost for B/W	Life of Tooling (in units)	Tool Replacement Cost/Per Occurrence	Number of tool replacement/Occurrence

Annual Tooling Capacity (in units)	
Weekly Tooling Capacity (in units)	
Tooling Capacity assumptions/ notes	
Lead Time for Tooling (in weeks)*	
Lead Time for production samples (in weeks)*	
Lead Time for PPAP Comp/Submission (in weeks)	
You will make regular maintenance to assure that the production equipment and tooling remain in good shape	

Samples Details

Date (dd/mm/yyyy)	Qty	Tooling Type	Comment	Piece Price	Total Price

Material Information: All fields in table is required, minimum 1 specific metal entry

Unit of Measure*		If weights are different, explain differences/assumptions
Cast Part Weight*		
Final Part Weight*		

Specific Metal	% of Element	Metal Weight in Cast Part (w/o loss)	Loss/Loss factor (%)	Metal Weight in Cast Part (w/ loss)	Handling %	Market Index/Specific Metal/Specific Rate Time Used	Specific Current Rate Used	Currency of Index	Premium	Frequency of Adjustment	Timing of Change	Collar %	Quoted Metal Cost in Part
		0,00		0,00									0,00
		0,00		0,00									0,00
		0,00		0,00									0,00
		0,00		0,00									0,00
		0,00		0,00									0,00

Comments or other special factors used in calculations

PURCHASING MANUAL

APPENDIX 4 Team feasibility commitment

Cost Breakdown (Please enter a value for each field (or zero))

Description	Cost	Field Description
Material		
Cores		
Scrap cores		
Casting		
Scrap casting		
Overheads Casting supplier		
Machining		
Scrap Machining		
Washing + Leak test + DMC		
Sub Components Cost		
Assembly		
Overhead Machining		
Logistics		
Finance & Consignment		
Custom duty		
Other		
Sum	0,00	
Lowest Price Reference	0,00	

Feasibility

The part can be manufactured as specified on the attached drawings	
The design and specifications are compatible with your manufacturing standards	
Special production equipment will be required	
The current part definition is sufficient to allow you to industrialize the part	
For casting parts, a casting simulation will be performed prior to manufacturing of the casting equipment	
Does the design allow use of conventional efficient material handling equipment/techniques	
The part must be manufactured without incurring any unusual costs (capital equipment, tooling or part costs)	
<i>Will you provide Design to Cost suggestions to reduce part price and tooling cost during project development</i>	
Does the design allow use of conventional efficient material handling equipment/techniques? Attainability of shipping densities.	
Does the design put forth any safety or environmental concerns	
<i>Environmental permits (EPA, etc.), regulated waste management (generate hazardous waste, additional waste water, etc.) secondary containment</i>	
<i>Waste minimization through recycling or use of wairst treatment organization identified</i>	
Are changes required? Part can not be produced without actual design being changed	
Are changes recommended? Part is feasible, but can be improved or less costly if proposed revision is incorporated	
<i>If yes, please specify all changes required and attach a marked drawing in the item line item</i>	
<i>please consider open issue list in attachment</i>	