

SUPPLIER MANUAL



PORTLAND PRODUCTS, LLC

High Quality Mechanisms, Assemblies & Stampings

271 Morse Drive
Portland, MI 48875
Phone: 517-647-4191
Fax: 517-647-7811

www.portlandproducts.com

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Foreword:

Welcome to Portland Products. This Supplier Manual has been developed to provide our vision, mission and critical processes that will make it easier for us to do business together. Current and potential Suppliers should read it carefully to fully understand the policies, objectives and values that drive our organization. Suppliers who share our values, respect our policies, help us meet our objectives and can provide the greatest value have an opportunity for a mutually beneficial relationship and partnership.

The Supplier Manual is managed as a living document by Portland Products, summarizing at all times the newest process guidelines for the above mentioned topics. The Supplier Manual contents will be updated regularly as required and available on our Supplier Website as well as by request.

We believe the Supplier Manual will be helpful in establishing and maintaining your relationship with Portland Products. Please distribute the Supplier Manual within your organization as needed.

Yours sincerely,

A blue ink signature of Bob Sutter, written in a cursive style.


Bob Sutter

General Manager

A red ink signature of Jon Bieri, written in a cursive style.

Jon Bieri

Quality Manager

A red ink signature of John Leik, written in a cursive style.

John Leik

Senior Buyer

The review of this document means you, our Supplier, acknowledge that our expectations have been reviewed with you or by necessary members of your organization. Our goal is to form a partnership and solid relationship with our Suppliers. We have an open-door policy and welcome all inquiries, concerns and solutions to all areas.

1. Introduction

1.1 Scope:

This Supplier Manual applies to all Portland Products suppliers and partners or subsidiaries.

1.2 Vision:

From our first day of business in 1947, Portland Products has pursued a single goal: To make every customer and supplier contact elicit the response, “That's why I prefer to do business with Portland Products”.

This approach has made Portland Products an award-winning supplier to some of the most demanding manufacturers in the world. Portland Products will do whatever it takes to meet our customer's requirements, even on jobs that may look impossible.

1.3 Confidentiality:

Portland Products considers all issues discussed with its suppliers as confidential and expects its suppliers to do so in return.

Such aspects include, but are not limited to, the following:

- Economic conditions
- Technical aspects
- Technological trends
- Drawings / CAD designs / Intellectual Property
- Others expressly specified by Portland Products

These aspects cannot be revealed to third parties without written consent from Portland Products. The supplier is responsible for keeping all issues related to any projects assigned by Portland Products as confidential. The supplier is also responsible for having the necessary material resources to ensure confidentiality when sending products and information, as well as the resources which enable guaranteeing the physical security of the documentation related with to projects and programs.

In the cases in which Portland Products expressly wishes, a specific confidentiality agreement must be signed by the supplier.

2. Quality Expectations

2.1 Quality System:

All suppliers to Portland Products will be required, as a minimum, to have their Quality Systems registered to ISO 9001: (current revision). Portland Products expects their suppliers to pursue a goal of certification and compliance to IATF 16949.

Suppliers are expected to implement, maintain and continuously improve on all the requirements contained herein or referred to in this document and will be evaluated to the rating system detailed in the Supplier Monitoring section of the Supplier Manual.

2.2 Routine Surveys and Ongoing Development:

Suppliers may be asked to share internal quality and/or operational performance measurables, at a minimum, to demonstrate compliance to the requirement of Portland Products quality objectives.

Suppliers shall on an annual basis, audit Portland Products part related drawings and/or engineering specifications.

2.3 Product Identification and Traceability:

Whenever possible, suppliers are required to identify the products they supply by appropriate marking, labeling, or tagging the products and/or packaging that includes but is not limited to: Part Number, Quantity, Lot/Heat Number and Manufacturing Date. Each shipment shall be accompanied by a packing slip and material certifications if applicable. All paperwork shall be consistent with the product received and meet all government and environmental regulations.

All materials and products received at Portland Products are subject to receiving inspection. The inspection is a two-stage process. In the first stage, the received products are identified, counted, and inspected visually. In the second stage, the products are subjected to a more technical and thorough QA inspection.

The supplier must have a written procedure establishing a lot traceability system to identify (by lot, batch, heat number, etc.) all material from receipt through all phases of manufacturing, inspection, testing and shipping. This will include subcontracted processes and material subjected to rework. Lot numbers assigned must be unique

and traceable to materials used and processes performed, including subcontracted processes. All inspection records and test results must contain lot numbers.

2.4 Material Certification Requirements:

Material Certifications are required for all raw materials, sub-components, plating, painting, hardness, etc. associated with the finished product, with each shipment.

The practice of stating the minimum or maximum content for a given chemical element or mechanical property is not acceptable. Actual measurements are required.

Certifications must specify the class, type, and/or grade to which the product conforms. In addition to the specification number and any special testing, the material must be included on the certification.

2.5 Incoming Product Conformity:

A Certificate of Analysis (CofA) or Certificate of Conformance (CofC), must be provided for every new lot of raw material, components, or pass through products that are shipped to Portland Products. The supplier must maintain a copy of each certificate for a period of time consistent with AIAG standards.

The supplier's documentation is to contain actual measured inspection data from the production run being delivered, as well as the lot number that is traceable back to the material/product label and identified customer-purchase order number. In addition to the above requirements, Portland Products may randomly test raw material through a third party for material verification on a yearly basis.

Failure to provide the required documents with every shipment will result in:

- First Offense: Product will be put on hold and the supplier is to be notified to provide certification before product can be released.
- Second Offense and Thereafter: Product to be put on hold; notify supplier to provide documentation; SCRR (Supplier Concern Rejection Report) to be issued to supplier with applied costs that are incurred.

Please Note: Portland Products requires all suppliers to provide 100% conforming and defect free parts.

2.6 Control of Quality Records:

The supplier will establish and maintain documented procedures for identification, collection, indexing, access, filing, storage, maintenance and disposition of quality records.

The following records must be retained for the time period indicated after the year in which they were created:

- **Product Quality Records:** Material certifications, control charts, traceability records, inspection and test results for life of product + service + 1 year then the supplier may destroy.
- **Production Part Approval:** All records and documents required for Production Part Approval (PPAP), in accordance with the PPAP Reference Manual for the life of product + service + 1 year then supplier may destroy.
- **Nonconforming Product Records:** A report created indicating in detail product or material that does not conform to customer requirements or specifications for life of product + service + 1 year then supplier may destroy.

The following records must be kept for a three year period after the year in which they were created (except as noted):

- **Contract Review Records:** Quotes, Advance Quality Planning forms and other documents established in the course of negotiating and implementing contracts.
- **Engineering Design Output Documents:** Design FMEAs, drawings, specifications, bills of material, process procedures, calculations, prototype test reports, and other documents Established in the course of product design while the designed parts or system is active plus three calendar years
- **Supplier Evaluation and Performance Records:** Documents demonstrating supplier quality capability and quality performance are retained while the supplier is active
- **Purchase Orders:** Purchasing documents for procurement of materials, components, products and services.
- **Calibration:** Inspection, measuring, and test equipment calibration certifications
- **Corrective and Preventive Action Records:** Corrective action requests established relating to nonconformance and preventive actions taken to address potential non-conformities.
- **Internal Quality Audit Reports:** Internal audit and management review

These requirements do not supersede any government or Portland Products specific requirements. All specified retention periods are considered minimum retention periods.

2.7 Corrective and Preventative Action:

Corrective action plans for characteristics of statistical study that do not demonstrate capability or show unstableness shall be reviewed with Portland Products prior to implementation. Containment and 100% inspection of product not meeting any requirement is mandatory and results of inspection shall be available for review by Portland Products when requested.

Product that is suspect of dimensional non-conformance but thought to be functional shall not be shipped to Portland Products without prior written authorization. Failure to obtain this authorization will result in the entire shipment being quarantined and verified at the supplier's expense. This verification will be internal at Portland Products' facility, outsourced to a third party or supplier change out of 100% certified material agreed upon with the supplier and Portland Products. The issuance of a Supplier Concern Rejection Report (SCRR) will also be levied for the non-compliance.

Non-conforming product delivered to Portland Products will be recorded with a Supplier Concern Report (SCRR) as a Concern or Rejection depending on the severity of the non-conformance and its impact on daily operations. This decision is at the discretion of the Portland Products Quality Manager.

If the nonconformance warrants an 8D corrective action report, initial supplier acknowledgement is required and must be submitted within twenty-four (24) hours typically through the 3D phase of the 8D process. Final root cause determination and permanent corrective action shall be submitted within one (1) week from issue of the SCRR. If root cause is not able to be determined within this time period, the 8D must be updated to reflect that actions taken to identify root cause and a time extension be requested by the supplier. This process shall continue every week until root cause and permanent corrective actions and verification of such actions have occurred.

Supplier charge backs will be charged to the supplier for errors in workmanship or discrepancy in delivery. These supplier charge backs are typically transacted as a debit against the supplier's account.

The following is a summary of discrepancies that may result in supplier charge backs, but is not exclusive to:

1. Packing slip discrepancies or no packing slip submitted with the shipment
2. Incorrectly labelled containers.
3. Material shipped in any manner other than FIFO
4. Labor hours (OT) in regard to poor product quality delivered by supplier.
5. A \$100.00 administrative fee may be issued for clerical activities performed by Portland Products personnel as a result of a supplier defect.

A charge of \$35.00 per hour may be issued if Portland Products personnel sorts and /or reworks supplier product. In addition to the above charges, Portland Products will pass through the following costs incurred where related to supplier issues:

1. Product containment or rework cost as received by third party provider to Portland Products for supplier's defective material.
2. Customer charges attributed to defective supplier material. Premium freight charges incurred as result of the supplier.
3. Assembled scrap value due to material, components or processes as result of the supplier defect.

Debits will be approved by Portland Products Supplier Quality Coordinator or Purchasing Manager. Any disputes regarding supplier charge backs (discrepancy charges), shall be submitted to Supplier Quality Coordinator or Purchasing Manager, in writing, within 30 days of issuance. If the supplier fails to provide a RMA (Return Material Authorization) number to Portland Products Supplier Quality for the incurred costs, the supplier, in the end, will be debited from its account.

2.8 Nonconformance Notification:

A written procedure must be developed and implemented by supplier for the notification to Portland Products personnel if it is determined by the supplier that non-conforming or suspected non-conforming material has been shipped to Portland Products.

Such procedure must include:

- The notification to Portland Products Quality, Receiving and Purchasing departments within 24 hours of discovery that suspect product or material was shipped that does not conform to Portland Products requirements or specifications.

- The immediate containment, sort or rework and inspection method of suspect products at the supplier's facility (Portland Products will monitor the effectiveness of the suppliers containment procedure and, if necessary, request additional controls and documentation). This information must be communicated to the Quality Assurance manager within 24 hours.
- The immediate dispatching of supplier personnel to Portland Products to sort/rework and inspect suspect product, or authorization for Portland Products to perform such action, provided that Portland Products has the resources available for such.
- The initiation of a Corrective Action Report is not sufficient. Portland Products Quality Assurance must receive documentation of the supplier's containment plan within the first 24 hours with corrective action due dates and planned completion dates.
- The manufacture and shipment of replacement stock, if necessary, with no adverse effect to Portland Products' manufacturing schedule.

The supplier is responsible for all costs associated with supplying non-conforming or defective product to Portland Products.

2.9 Production Part Approval Process:

The requirements for PPAP approval are outlined in the AIAG PPAP manual. Portland Products' requirements are outlined below.

Supplier Capacity Studies

Portland Products will identify key suppliers and components where Run at Rate confirmation is required. When a particular product is identified for Run at Rate, Purchasing will notify the supplier in writing. The purpose of a Run at Rate is to verify the supplier's capability and capacity while operating under normal production conditions using production materials/tools/equipment and labor.

Master samples are required with the PPAP package unless otherwise specified. The quantity will vary depending on the commodity being submitted. Suppliers should contact the Portland Products PPAP coordinator to determine their requirement prior to submission. Portland Products' Quality Department will review the PPAP packages to ensure compliance. If the PPAP is not compliant the supplier will be notified.

Portland Products' Quality Department or an approved outside accredited lab, will inspect the master samples and forward the results to the Quality Manager for final approval. If parts are rejected, a new submission may be requested.

PPAP Submission (required for any of the following):

1. Level 3 PPAP for any new part / product or process.
2. Correction of a discrepancy on a previously submitted part.
3. Product modified by an engineering change due to design, specifications materials.
4. Use of another optional construction or material then used in the previously approved part.
5. Production from new or modified tools (except perishable tools).
6. Production following refurbishment or rearrangement of existing tooling or equipment.
7. Production following any change in process or method of manufacture.
8. Production from tooling and equipment transferred to a different plant location or from an additional location
9. Change of source for subcontractor parts, materials or services.
10. Production re-released after the tooling has been inactive for volume production for twelve months or more.
11. As deemed necessary by Portland Products (suppliers will be informed about the PPAP requirements by Portland Products' QA)
12. Annual re-validation.

The following items must be submitted with each new PPAP:

1. Warrant (exact form determined by Portland Products)
2. Sample Product (sample size TBD by Portland Products)
3. Dimensional results
4. Test results (A2LA Material Certification - include certification and actual readings)
5. Procedure Flow Diagrams / Control Plans
6. PFMEA

7. Process capability studies
8. Measurements System Studies (Gauge R&R)
9. Drawings (ballooned) to match layout data provided

Contact Portland Products Supplier Quality Coordinator should there any uncertainties related to PPAP level requirements.

2.10 Document, Design/Data and Change Control:

Suppliers must maintain a controlled document and design/data control system to ensure proper product revision levels at the time of release or related to an approved engineering change. This must be controlled in a manner in compliance at a minimum to ISO9001: (current revision), providing consistent products and or processes to Portland Products.

All changes to product or process must be validated prior to permanently implementing the change. The sample size used to validate the compliance of the change shall be determined through mutual agreement with the customer and Portland Products.

2.11 Customer Designated Special Characteristics:

Suppliers shall demonstrate conformity to designated characteristics identified by the customer. Documentation in the form of Statistical Process Control and/or capability studies may be requested to show evidence of conformity. Where dimensional requirements cannot be shown to be in statistical conformance, suppliers are required to implement an inspection process that will minimize the delivery of non-conforming product and provide documentation with the results of the inspection with each delivery of the product.

2.12 Internal Quality Audits:

Supplier is to perform internal quality audits on a regular basis and maintain a system to ensure that all internal processes are addressed.

2.13 Measurement System Analysis and Process Control:

Statistical tools and/or methods shall be identified for each process used to manufacture product supplied to Portland Products and be included in the control plan(s).

The Statistical concepts shall, at a minimum, be in conformance with the AIAG manual Statistical Process Control. Both, supplier and Portland Products shall agree to the frequency of data collection and characteristics.

2.14 Inspection and Testing:

Supplier shall adhere to all part/process inspection and testing frequencies as documented in the PPAP supplied Control Plan/setup and in process paperwork (Quality Records). The supplier must be able to demonstrate evidence of completed paperwork for all manufacturing events related to each product lot number or date of manufacture. Outside services (coating, heat treat, vibratory deburr, etc.), will be issued Quality Requirement Sheets that illustrates the specifications for each part that need to be adhered to satisfy Portland Products and the affected customer's needs.

2.15 Control of Monitoring and Measuring Devices:

Supplier must maintain all records and certifications of inspection, measuring and test equipment to ensure that all calibrations are up to date. The schedule interval or calibration or verification of any measurement device shall not exceed one calendar year.

3. Purchasing

Suppliers are required to provide Material Safety Data Sheets (MSDS) for all chemicals delivered to Portland Products with every first shipment or as requested.

Material containing or manufactured with Ozone Depleting Substances (ODS), Cadmium, or Hexavalent Chrome shall not be supplied or submitted to Portland Products unless directed by the end customer. All dangerous products must meet governmental regulations required for transportation, handling, storage and control of these products. Products must be Conflict Mineral Free. Suppliers may be required to provide a Conflict Mineral Report annually.

Suppliers are required to acknowledge all purchase orders within 24 hours of receipt. No response in this time frame signifies approval. All of the information contained on purchase orders are confidential between Portland Products and the supplier and must be adhered to unless otherwise communicated between the supplier and Portland Products. Spot Buy purchase orders are intended for a one time buy and Portland Products is only responsible for the quantity noted. New program Kick-Off blanket purchase orders are used to communicate all of the production startup details for the listed part(s). It is also the official signal for the supplier to begin planning/ordering material to meet the noted date on the purchase order. Subsequent releases for blanket order parts will be issued as needed via email and will need to be shipped and invoiced against those purchase orders. Weekly forecasting can be provided if requested by the supplier.

Suppliers are required to submit IMDS on every part to be delivered to Portland Products IMDS Submissions are routed through the IMDS website to Portland Products ID code #5847. Timing for IMDS submission is to be provided with the PPAP.

A process shall exist that clearly identifies cascading of all customer specific requirements to the supplier and applicable sub-suppliers. This shall include all regulatory, statutory and environmental regulations related to the acquisition, storage, handling, recycling, elimination, or disposal of material for the materials and products. The supplier shall consider the requirements of the country of origin and the country of destination.

Suppliers of tooling and/or gauging may be required to submit all drawings to Portland Products for approval before final design is started and once completed; drawings with appropriate detailing (i.e. measurement points, BOM for perishable items, drawings for inserts or other details, maintenance requirements, etc.) may be required with the product. Tooling run-offs and sign-offs may also be required. Suppliers of gauging shall provide drawings that will be used for dimensional verification of the gauge and Gauge R&R studies. Portland Products reserves the right to have at least one designee participate in the Gauge R&R process.

3.1 Supplier Selection:

A first time audit of a supplier shall be assessed prior to production by trained Portland Products personnel. (Document No. PURC-FM-00002 Supplier Visit Assessment and PURC-FM-00020 – PPI Supplier Quality Audit Form) If time does not permit; a follow up assessment must be performed within 90 days of the start of production. Depending on the geographic location, a Supplier Self-Assessment

(Document No. PURC-FM-000001) may be used and requested to be filled out and returned by the supplier within 90 days of issuance

3.2 Supplier Monitoring:

Supplier performance will be monitored and reviewed on a monthly basis. Supplier Performance Reports will be completed and submitted to the supplier on a quarterly basis to the categories listed below.

- Quality
- Delivery
- Cost
- Customer Service

Supplier Performance Reports (Document No. PURC-FM-000006), will be issued every quarter with a Green/Yellow/Red rating. Conformance will be evaluated in accordance to Portland Products Supplier Assessment Procedures (Document No. PURC-FM-MS00001).

3.3 Control of Customer Supplied Property:

The supplier shall be responsible for the identification, verification, protection and safeguard of customer property provided for the use with the product supplied. This includes returnable packaging. If any property is found to be unsuitable for use, the supplier must inform the customer and maintain records of the discrepancies found.

3.4 Environmental Management:

Supplier must be registered under ISO 14001: (current revision) or conform to environmental standards including air quality and water quality/consumption. In addition all products or materials used in the manufacturing process shall conform to applicable statutory and regulatory, and environmental regulations related to the acquisition, storage, handling, recycling, elimination, or disposal of material. The supplier must be able to show evidence and keep records of such practices at all times.

3.5 Project Management:

Suppliers must confirm the details of the person or Project Manager in their organization acting as the contact with Portland Products for each project.

This person must have the required capacity to submit all the elements required to cover the product and process quality assurance process and to provide additional information on behalf of supplier. This person is also to be responsible for staying in contact with the Portland Products project team in order to maintain a smooth channel of communication. Portland Products requires that this designated individual is qualified and competent. The supplier may be asked to provide verification of competency. It is the responsibility of the supplier to contact Portland Products if this person is no longer in charge of the project and provide proof of qualifications for the individual that is deemed as the replacement.

All Portland Products suppliers are requested to provide on-site support when launching a new product if it is deemed necessary. Support may be required during the first time manufacturing of the material, component, process or equipment. The appointed person must have in-depth knowledge of the Supplier's manufacturing parts and processes.

3.6 Resource Management:

Suppliers may also be required to provide a plant layout of the process flow that is used to manufacture product that is supplied to Portland Products. Suppliers shall also have available upon request for review, a documented contingency plan for the product or process supplied.

3.7 Human Rights and Ethics

Portland Products has a Policy defining our requirements for Working Conditions and Human Rights. We also have a Policy regarding Code of Ethics and Business Conduct. Portland Products expects our suppliers to comply to these requirements as well.

Revision History

As of this publication, this Supplier Manual is current and accurate. However we can expect revisions and additions due to continuous improvements and the dynamics of the business activity. Updates to this manual will be forwarded to suppliers as they are created.

Hard copies of this manual are considered to be non-controlled documents and should be identified as such.

Date	Revision	Section	Description	Approved
7/31/18	A		Initial Release	7/31/18
8/1/18	B	4.3	Added Requirements for competency (IATF)	8/1/18
8/16/19	C	4.7 and 4.24	Added requirements for regulatory, statutory and environment (IATF)	8/16/19
10/2/22	D	All	Reorganized the Supplier Manual	12/8/22
5/15/24	E	All	Changed references of Portland Products, Inc. to Portland Products throughout document due to ownership change. Removed Ted Alberta signature from Pg 3 Forward.	5/21/24

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