Supplier Quality Assurance Manual

Concurrence with Supplier Quality Assurance Manual

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President

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OUR MISSION STATEMENT

It is the policy of Markdom Plastic Products Limited to provide superior products and services to our customers and users within the company. Our mission is to achieve a leadership position in the Global Market in the field of the Medium Sized Injection Molded Thermoplastic Components and Assemblies, by serving the needs of our customers in innovative ways - by being the best in everything we do.

VALUES

Customers Customer satisfaction is essential. We will deliver superior value to our customers through, reliability and technology. We grow and prosper by serving the needs of our customers better than our competitors, while effectively controlling costs.

People The men and women of Markdom Plastic Products Limited make our success possible. We encourage the involvement of each employee. We value open and honest communications.

Quality Quality must be built into everything we do. Quality is everyone's responsibility, and is achieved through continuous improvement. We routinely seek ways to do things better.

Integrity We pursue our business interests in a socially responsible manner. We conduct our business in accordance with the highest standards of legal and ethical conduct.

Environment Markdom Plastic Products Limited is committed to ensure that the environmental requirements are met at all times.

Suppliers We are dedicated to maintaining open communications and cooperation with all of our suppliers ensuring the best quality materials and services for our products.

_____
President

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1.0 INTRODUCTION

1.1 This Supplier Quality Assurance Manual is designed to assist suppliers in achieving continuous improvements in quality and productivity that will mutually benefit both our Suppliers and Markdom Plastic Products Limited (Markdom). The content of this manual is reviewed, updated and distributed as required.

1.2 This manual defines the basic quality systems and procedures required for Suppliers of Markdom.

1.3 The Supplier's quality and reliability system is subject to review and evaluation by Markdom and this manual will serve as the basis for such review. When instances occur, which warrant the review of a sub-contractor's process or control system, the sub-contractor is expected to co-ordinate such reviews.

1.4 It is the responsibility of the Supplier to ensure that all of Markdom's documentation is current and always available for reference (Minimum Annually). Should the Supplier not have the current version of any documentation per their annual review, Markdom will supply the necessary documents upon request.

1.5 If the Supplier cannot comply with the requirements stated in this manual, Supplier shall submit a **SUPPLIER DEVIATION REQUEST (SDR)** (Exhibit-B) to Markdom Purchasing. All deviation requests must include an action plan that identifies what the Supplier intends to do to correct the deviation and the date on which the correction will be completed. All deviations must have prior approval by Markdom. A **Material Disposition Record (MDR)** (Exhibit-A) will be issued in the absence of a properly approved deviation.

1.6 Suppliers will meet all applicable regulations regarding the packaging and transportation of any hazardous materials. All containers will be adequately sealed or covered to protect the contents during the transit.

1.7 All applicable **Workplace Hazardous Materials Information System** (**WHMIS) and Material Safety Data Sheet (MSDS)** documentation shall be forwarded to Markdom Purchasing.

1.8 When requested by Markdom Engineering, the Supplier must submit the material data (including the restricted and reportable contents) through the **International Material Data System (IMDS)** using Markdom IMDS ID# 19312.

1.9 Any questions or concerns regarding this requirement should be directed to Markdom Purchasing.

2.0 COMPLIANCE OF BUSINESS AND PURCHASE ORDER

2.1 Quotation and Response Requirements: Markdom will generate a Request for Quote (RFQ) for all new products as well as when considering a product or program change. Suppliers are expected to respond to Markdom by the date identified in the RFQ, with the documentation and breakdown as defined by the Markdom RFQ initiator. RFQ responses will be measured as per the Supplier Commercial Rating Score.

2.2 Markdom will issue Purchase Orders to suppliers for awarded products or programs. Markdom's General Terms and Conditions are the only terms and conditions that will govern the purchase of goods or services by Markdom.

2.3 Acceptance of Markdom's Purchase Order constitutes acceptance of the requirements of this manual. Any deviation from the requirements of this manual or applicable Purchase Order requires written concurrence from Markdom Purchasing and/or an approved SDR (Exhibit–B).

3.0 QUALITY SYSTEM FOR ALL PRODUCTS

Incoming Materials and Components

3.1 Control of Subcontracted Products

3.1.1 Each Supplier is responsible for ensuring that all products and services purchased from sub-contractors for use in products produced for Markdom conform to the requirements of Markdom. Each supplier must establish procedures that will meet this responsibility by implementing the following:

3.1.2 Documented evidence illustrating conformance to all applicable specifications.

3.1.3 Performing (or purchasing) the required inspection and testing at adequate frequencies to ensure conformance to specifications and performing the appropriate statistical analysis.

3.1.4 Materials that have been approved should be identified and traceable. Non-conforming materials are to be identified as such and are to be segregated in special holdings areas.

3.1.5 The Supplier shall verify his sub-contractor's certification on a periodic basis.

3.2 Ongoing Verification and Testing

3.2.1 Suppliers must prepare written inspection and laboratory test instructions to supplement the applicable engineering standards. Such instructions may consist of inspection instruction sheets, test procedures or other documents normally used by the supplier and considered adequate.

3.2.2 When Supplier's product or material has flammability requirements within the product or material specification (such as FMVSS 302 or OEM equivalent GMW 3232, GM 9070P, VW Burning Behaviour TL1010, VW PV 3904), then the Supplier must maintain accredited test results that are less than 1 year old. These test results must be made available to Markdom or their customers upon request.

3.3 Inspection Gages and Test Equipment

3.3.1 The Supplier should have adequate gages and test equipment to control product quality and support analytical problem solving.

3.3.2 All gages and measuring equipment (including fixtures) must be periodically inspected and calibrated at established intervals. Each gage must be uniquely identified, and records are to be retained.

3.3.3 Calibration shall be in accordance with recognized standards traceable to the National Institute of Standards and Technology (NIST).

3.3.4 Calibration instructions for gages and equipment are to be available and current. Any calibration performed by an outside source must have proper certifications.

3.3.5 Gage repeatability and reproducibility (Gage R & R) studies should be conducted on all variable gages in the inspection of control characteristics.

3.4 Product Status

3.4.1 The Supplier is responsible for identifying the qualification and test status (OK, Reject, Sort, Hold for Rework, etc.) of the product through all stages of the process by means of stamps, tags, routing cards, color codes, or other effective control measures.

3.4.2 Each container, rack, box, or pallet of material must carry full identification; including Markdom and Supplier part numbers, quantity, shipment and/or manufacturing date and deviation numbers (where applicable). See Markdom's "Supplier Shipping and Packaging Requirements" manual as reference.

3.4.3 Identifications should permit traceability back to specific Supplier manufacturing and inspection records that must be retained fifteen years past the date of original creation. Products must be shipped on lot basis. A lot can be identified as a homogeneous quantity of parts produced during a specified period of time that are traceable to a production date, raw material or other applicable grouping.

3.4.4 The Supplier must insure that the product is properly handled through every phase of the manufacturing and shipping processes to prevent damage, deterioration, loss of identification, and mixed parts.

3.4.5 Shelf-Life Control: With each delivery of product or material that have a limited or specified Shelf-Life, the Supplier shall furnish data on the certification and the product or container label that shows (a) manufacture date, (b) expiration date Shelf-Life, (c) lot or batch number, and when applicable, any special handling or storage requirements. Unless otherwise specified by contract, all Shelf-Life limited product or material delivered to Markdom shall have a remaining Shelf-Life of at least 75% of the total Shelf-Life for the product or material. Failure to comply with this requirement will result in a rejection (MDR) or a return to Supplier for full credit upon the Shelf-Life expiry.

3.5 Periodic Layout Inspection: Unless otherwise specified by Markdom, there is no established frequency for layout inspection after receiving Production Part Approval (PPAP).

3.6 Reworked Products: The Supplier must establish repair procedures to correct non-conforming product(s) that occurs during production. The supplier must perform inspection of the product(s) following repair, to ensure conformance to specification prior to shipment to Markdom. Repairs that deviate from or modify Markdom specifications require an approved deviation prior to the shipment. SDR(Exhibit-B)

3.7 Non-Conforming Products

3.7.1 Non-conforming products must be immediately tagged, segregated, and sorted for either rework or scrap. Identified material awaiting disposition and/or rework/scrap must be secured in an established and clearly identified "HOLD" area. The Supplier is required to notify Markdom of any suspect product shipped to Markdom and of the corrective action taken by the Supplier to ensure that the con-conforming condition does not occur in future shipments.

3.7.2 In the event that non-conforming product is shipped from the Supplier and enters the Markdom production system, that Supplier will be held accountable for all costs incurred as a result of added inspection time, down time, resulting scrap, administration and product recall. In addition, the Supplier is responsible for taking immediate corrective measures to ensure that production schedules are met with conforming product. In these types of situations, a MDR will be issued immediately.

3.7.3 Suppliers are fully responsible for the quality of their products and are not to rely on Markdom's receiving inspection. Suppliers will be notified of rejections via MDR (Exhibit-A). This report will serve as corrective action follow-up to assist both Markdom and the Supplier.

3.7.4 Customer Directed or Pass-Through-Product Non-Conformance: In the event that non-conforming product is shipped from the Supplier and enters Markdom's customer's production system, that Supplier will be responsible for all associated costs until full recovery is achieved. The Supplier shall follow the customer's prescribed format for documentation and resolution. Customer rejections, such as GM's PR&R, will be assigned to the Supplier's location.(Duns number)

3.8 Issuance of a MDR (see Exhibit-A**).**

3.8.1 A debit may be applied with the issuance of a MDR. Any debit will be automatically deducted from the applicable invoice for each MDR issued to cover costs incurred. In addition, any customer imposed penalties, downtime or expediting costs which may be incurred, may also be applied.

3.8.2 The issuance of a MDR will result in the lowering of the Supplier Commercial Rating.

3.9 Documentation

3.9.1 Procedures: The Supplier must develop, implement, and maintain written procedures for ensuring product quality.

3.9.2 Process Flow and Control Plans: Due to their importance in Advanced Quality Planning, Process Flow and Control Plans are required for all products. A Control Plan is a document that summarizes the Supplier's plan to ensure the product quality for a specific part or family of parts. Reference AIAG's APQP Manual.

3.9.3 Failure Mode and Effects Analysis (FMEA): Suppliers with product design responsibility shall develop a Design FMEA in accordance with, and compliant to ISO/ TS requirements. A single Design FMEA may be applied to a family of similar parts or materials. Suppliers shall develop a Process FMEA in accordance with, and compliant to ISO/TS requirements. A single Process FMEA may be applied to a process manufacturing a family of similar parts or materials if reviewed for commonality by the Supplier. Reference AIAG FMEA Manual.

3.9.4 Drawing and Specification Change Control: The Supplier must maintain on file, the latest Engineering drawings, specifications, and deviations authorized through Markdom Purchasing. Suppliers are responsible for comprehending all drawing and specification requirements. If any questionable areas appear to exist, the Supplier is to immediately contact Markdom Purchasing for clarification.

3.9.5 If the Markdom Purchase Order, Engineering drawings and/or specifications makes reference to any other documents such as other Engineering Specifications, industry test standards etc., the Supplier must obtain such documentation from the appropriate sources.

3.9.6 Records: The Supplier must prepare and maintain adequate quality system records, including inspection and laboratory test instructions, gage and test equipment verifications and calibrations, and engineering specification test methods. The supplier must also prepare and maintain quality performance records indicating inspection and test results.

3.9.7 These records must be maintained for a minimum of ten years after the part is out of production. Safety data such as flammability and critical part's test data must be maintained for 15 years after generation. Supplier shall be capable of retrieving and delivering required records to Markdom within forty-eight hours from Markdom's original request.

3.9.8 Changes in Manufacturing Process: Prior to shipping products manufactured by a changed process, the supplier must complete all verifications and tests necessary to ensure that products continue to meet Markdom requirements. PPAP update will be required as described in section 5.0.

4.0 REQUIREMENTS FOR NEW SUPPLIERS

4.1 Markdom recognizes any of the following certifications, accreditation or surveys in lieu of Markdom's Supplier Quality System Assessment requirements as stated above:

a) ISO-9001, TS 16949 or equivalent Certification
b) Customer Approved and/or Accredited Material Source

4.2 Supplier must submit a copy of above certification to Markdom Purchasing for review and system update. Supplier must notify Markdom Purchasing in the event of de-certification or changes to the Quality certification and scope.

4.3 Markdom reserves the right to perform on-site evaluations of their Supplier's Quality Systems and the implementation and effectiveness of the Process Control Plan and related systems.

4.4 A self-survey or an on-site Supplier audit may be conducted as required.

4.5 All Suppliers are encouraged to work towards the current TS 16949 compliance and certification.

4.6 All Suppliers are also encouraged to be in compliance with ISO-14001 based Environmental Management System.

5.0 PRODUCTION PART APPROVAL PROCESS (PPAP)

5.1 Markdom fully supports the Automotive Industry Action Group (AIAG) Production Part Approval Process procedure and will adopt any and all (AIAG) Manuals, standards, procedures and references as they supplement this procedure. Markdom will communicate any Customer specific requirements in writing. It is a requirement that all suppliers have a copy of this standard and be familiar with it. All PPAP submissions will be in accordance with this manual.

5.2 Level-3 PPAP shall always be required unless otherwise specified on Markdom's Purchase Order.

5.3 Markdom Purchasing is responsible for new supplier introduction and PPAP activity at Markdom.

5.4 Upon receipt at Markdom, PPAP package submissions will be evaluated for conformance to specifications.

5.5 Results will be reviewed by Quality Assurance, and product Design Engineering, and will be forwarded to the supplier through Markdom Purchasing. Re-submissions are permitted. However, a newly completed PPAP package is required for each re-submission.

5.6 Markdom's Quality Assurance will notify the supplier in writing of either PPAP approval or any discrepancies that require the attention of the supplier.

5.7 No Supplier's product or material will be released for production by Markdom Purchasing until a formal approval has been received from Markdom Quality Assurance.

5.8 Any changes to the current PPAP approved parts, process, material or equipment will require a new PPAP submission. Please notify Markdom Purchasing prior to any changes.

5.9 Run at Rate: Upon PPAP approval, the Supplier shall conduct a run at rate to identify that their process meets all quoted cycle times and part specifications. The Supplier shall use all production tooling and running at full production feeds and speeds, utilizing all regular production direct and indirect personnel and support systems. The capability of the process is to be verified using the data from the run. The Run at Rate is required to protect the price and quality of the part/product and the customer. Markdom and their customer may request documentation and/or elect to participate in Run at Rates prior to program launch.

6.0 ONGOING QUALITY REQUIREMENTS

6.1 Raw Material/Product Certifications SPC & Test Results: Raw Material and/or product certifications are to be provided with each shipment and for each lot of material. Specific variable type data is to be included on all certifications (No Motherhood statements).

6.2 The Supplier will ensure product certifications and applicable test results are sent with or before shipment. Materials without Certification will be rejected and will not be used in Markdom's Manufacturing Process.

6.3 Process Control: The Supplier shall identify and plan the molding, forming, stamping, painting, plating, casting, sintering, printing and assembly processes, which directly affects the quality of the product and shall ensure that these processes are carried out under controlled conditions. Markdom requires the supplier to audit each manufacturing process to determine its effectiveness. Applicability and effectiveness of plating, coating and heat treating processes shall be determined utilizing *CQI's for special processes. Supplier must provide completed CQI's upon request.*

Examples: CQI-11- Plating System Assessment (PSA), CQI-12: Coating System Assessment (CSA), CQI-9, 2nd Edition,- Heat Treat System Assessment (HTSA) published by AIAG.

6.4 Methods Used to Evaluate Supplier's Performance: The acceptance criteria for all characteristics shall be ZERO DEFECTS for all inspections. Any non-conformance found will result in a partial or total lot rejection and may be returned/sorted to/by the supplier at their expense. All product and material received by Markdom may undergo an inspection for any or all requirements as received or may be released for verification by production process. Rejections will be documented on a MDR with the corresponding charges included.

- Material Disposition Record (MDR) (Exhibit-A)
- Supplier Commercial Rating (SCR)

6.4.1 Material Disposition Record (MDR): The purpose of this process is to provide notice of Supplier's product, packaging, or delivery non-conformance requiring immediate action (Containment action) that is due within 24 hours. This is followed-up with a permanent corrective action that is due within 15 days of issuance.

6.4.2 When a Supplier is issued a MDR, the Supplier is expected to meet the response time requirements of the MDR. The number of MDRs issued, and the Supplier's ability to meet the response time requirements of the MDRs will allow Markdom to evaluate a Supplier's Performance.

6.4.3 Markdom encourages its supply base to proactively notify Markdom Purchasing of potential defective/suspect material or parts that have been shipped to Markdom. Markdom Purchasing will work with the Supplier to minimize the cost impact on the Supplier to recover from the reported issue. Note that this policy is not intended to penalize a Supplier, but to support the Supplier for taking a proactive approach.

6.4.4 Supplier Commercial Rating (SCR): The Supplier Commercial Rating report summarizes key performance indicators in the areas of Quality, Delivery, and Service. Communicating these key indicators to Markdom's suppliers provides measurement and feedback on current performance and highlights the opportunities for improvement.

6.4.5 The Quality and Delivery rating (75%) is generated by Markdom's MRP system which analyzes the MDR's for that quarter. The Service rating (25%) is assigned periodically by a cross functional Markdom team.

6.4.6 The Supplier Commercial Rating report will be issued on a quarterly basis. However, if there are no shipments received during that quarter, a SCR report will not be issued.

6.5 Internal Audits: The Supplier shall carry out internal quality audits to verify the effectiveness of the quality system. Audits shall be scheduled on the basis of the status and importance of the activity. The audits and follow-up actions shall be carried out in accordance with documented procedures.

7.0 TRAINING OF PERSONNEL: The Supplier shall establish and maintain documented procedures for identifying training needs and provide for the training of all personnel performing activities affecting quality or service. Personnel performing specific assigned tasks shall be qualified on the basis of appropriate education, training and or experience as required. Appropriate records of training shall be maintained. Training effectiveness shall be periodically reviewed.

8.0 SERVICING: A procedure for communication of information on service concerns to manufacturing, engineering and design activities shall be established and maintained. The Supplier's organization must be aware of nonconformities that occur external to the supplier's own organization.

9.0 STATISTICAL TECHNIQUES: Where appropriate, the Supplier shall establish procedures for identifying adequate statistical techniques required for verifying the acceptability of process capability and product characteristics.

10.0 CONTINUOUS IMPROVEMENT

10.1 Reduction of Cost and Selling Price: The Supplier shall develop standard costs, track actual costs, and regularly compare the two and analyze the variances. Through comparison and proper measurement of these costs, the supplier shall focus on continuous improvement of its cost structure, while reducing cost. The Supplier is required to cooperate with Markdom in an effort to reduce costs both prior to and during production. The supplier shall be willing to share suggestions and cost reduction benefits with Markdom. Markdom expects its suppliers to participate in our on-going effort to continuously improve our Product Quality, Service and Technology while decreasing cost to our customers.

10.2 Markdom Supplier Development Program: The Supplier Quality Assurance Manual and the Supplier Packaging Requirement Manual are designed to improve the Supplier's operations in all aspects of their business, which includes new product development, engineering, quality, communication, performance, delivery, and cost through the implementation of Certified Quality System in conjunction with appropriate quality tools. If you require any assistance in these areas you may contact Markdom Purchasing to arrange for help, guidance or workshops.

Sample Exhibit – A

MARKDOM PLASTIC PRODUCTS LIMITED

1220 BIRCHMOUNT RD., TORONTO, ONTARIO M1P 2C6

Tel. (416) 752-4290 Fax (416) 751-6638

Registered to ISO/TS 16949:2009

MATERIAL DISPOSITION RECORD

MDR No : 12-0XX

Attention: Jane Doe Phone: Fax :

Issue Date : 02/01/2012 Issued by :

REJECTION : [X] Can Material Be Used :

COMPLAINT : [ ] >> **NO :** [X] **YES :** [ ] >> *WITH DIFFICULTY :* [ ] *AT INCREASED COST :* [ ]

SUPPLIER : XYZ Ltd. / FAX # 416-751-6638

ORDER # : _____ REV # : _____ Quantity Unit Date

MATERIAL # : _____ EXPECTED : _____

LOT NUMBER : _____ RECEIVED : 0

Severity : Minor Administrative Costs Apply : [ ] MDR of the same non-conformance type since Jan 1: 1

DEFECT DESCRIPTION :

ACTION TO BE TAKEN :

PERSON TO CONTACT : _____ E_MAIL : purchasing@markdom.com

DISPOSITION OF MATERIAL IN SYSTEM :

DATE :

Distribution : QPTM, GM, Originator 1 QA005-01-02

MARKDOM PLASTIC PRODUCTS LIMITED
1220 BIRCHMOUNT RD., TORONTO, ONTARIO M1P 2C6
Tel. (416) 752-4290 Fax (416) 751-6638
Registered to ISO/TS 16949:2009

MATERIAL DISPOSITION RECORD

MDR No : 12-0XX

This section must be completed by the supplier and returned to Markdom Plastic Products Ltd. by ...../...../201X .

1. ROOT CAUSE FOR THE DISCREPANCY

2. CORRECTIVE ACTION INTERIM :

DATE :

3. CORRECTIVE ACTION PERMANENT :

4. VERIFICATION FOR PERMANENT CORRECTIVE ACTION :

5. DATE OF COMPLETION	SIGNATURE	TITLE	PHONE #

MATERIAL DISPOSITION RECORD

USAGE INSTRUCTIONS

UPON RECEIVING A MDR, PLEASE CONTACT MARKDOM PURCHASING IMMEDIATELY AND / OR RETURN THE WRITTEN RESPONSE INDICATING YOUR INTERNAL CORRECTIVE ACTION. THIS MUST TAKE PLACE WITHIN 24 HOURS OF THE RECEIPT OF THE MDR.

The 1st page of the MDR is to be completed by Markdom Plastic Products Limited at the time of issuance of the record. This portion details all of the information relevant to either the complaint or the rejection and the action to be taken by the supplier. Please ensure when receiving the MDR that all of the information that is supplied is correct for the particular situation. The 2nd page of the MDR (Section 1 thru 5) is to be completed by the supplier.

The following details the information required and the proper location for this information:

1. ROOT CAUSE OF THE DISCREPANCY:

In this section, identify the potential root cause (s).

You may want to use the 5 why approach for each of the following question until the underlying root cause is identified.

Why did the process not prevent this failure mode?

Why did the quality process not detect this failure mode?

Why did the planning process not predict this failure mode?

2. CORRECTIVE/ CONTAINMENT ACTION INTERIM (Due within 24 hours):

What immediate containment actions taken to recover from the non-conformance. (Examples: Expedited material delivery, sort, rework, scrap, return, replace, fax/email the required documentation, re-package, re-label etc). This response is due within 24 hours however in most cases it must be taken immediately to ensure the Markdom operations not affected by the failure and to avoid any charges such as down time, sort, rework etc. Keep open and continuous communication with Markdom Purchasing until the immediate actions are completed.

3. CORRECTIVE ACTION PERMANENT (Due within 15 days):

What permanent corrective action has been taken to ensure that this type of defect does not occur again. Refer to new systems being put into place, procedure change, mistake proofed methods, additional audits, checks, etc. that will prevent the non-conformance.

4. VERIFICATION OF PERMANENT CORRECTIVE ACTION:

Explain the verification method will be used to ensure the permanent corrective actions taken are in place and effective. This could be an internal documented verification/audit results. You may include a time period for the verification as in cases you may need to wait for longer period for your verification due to low volume. There is no requirement to update us as long as you provide a promise date or period. If you find any non-conformances during this verification it is expected you will initiate your own internal corrective action and re-verify the process until the non-conformance is eliminated. However if you suspect that you have made a non-conforming shipment then you should notify us immediately. This will not be counted against you.

5. DATE OF COMPLETION, SIGNATURE, TITLE, PHONE NUMBER:

The individual(s) who are taking responsibility for the corrective action should complete this section.

Conclusion: Advise the necessary people within your organization that a MDR has been issued and that the necessary steps for correction must take place immediately. Upon receiving advice from the supplier, Markdom Purchasing can then make the appropriate arrangement within Markdom to facilitate the corrective action. Following this, please complete the MDR and return it to Markdom in order that the MDR be properly documented and closed. Markdom Purchasing must receive the completed corrective action (MDR) within 15 calendar days of the issuance.

Exhibit - B

MARKDOM PLASTIC PRODUCTS LIMITED

1220 Birchmount Road, Scarborough, Ontario M1P 2C6
Tel. (416) 752-4290 Fax (416) 751-6638

SUPPLIER DEVIATION REQUEST (S.D.R)

Type of request: ☐ Temporary Request ☐ Permanent Request

Supplier _____ Product Code: _____ Date: _____ Assigned by Markdom S.D.R#: _____

Description of Request & Reason for Request

_____

_____

_____

_____

_____

Corrective Action Plan with Target Date: (For permanent request please attach Marked-up document)

_____

_____

_____

_____

_____

_____

Estimated Time for Dev.: _____ (# of Days) Estimated Qty for Dev.: _____ (If applicable)

Corrective Action Date: _____ (Same as Expiry Date) Lot #'s for Deviation: _____

Requested by: _____ (Person responsible for implementation of the corrective action)

Comments: _____

Markdom Use Only

Deviation granted ☐ YES ☐ NO Customer Approval No.: _____

Restrictions _____

_____ _____

Quality & Productivity Team Manager Date: General Manager

Circulation:

QP Team Leader President Purchasing Warehouse Supplier/File

MP SQAM - Rev. July-05 SQA DEV JL/05

SUPPLIER DEVIATION REQUEST (S.D.R.)

USAGE INSTRUCTIONS

Completion and submission of this form by the seller is required whenever a shipment of product is being made to Markdom that does not conform to Markdom's standards.

This form can be used for such things as non-standard packaging, material short or over-shipped, labeling or documentation variations.

Where a deviation is being requested, this form must be filled in and submitted to Markdom Purchasing not later than 72 hours prior to the shipment being made to Markdom.
Note: By submitting 72 hours prior, you may avoid the costs associated with an MDR being issued.

It is the responsibility of the Seller to ensure that the Deviation Request is submitted on a timely basis and the Seller must ensure that proper approval from Markdom Purchasing is received in writing prior to shipment.

If the shipment arrives at Markdom without proper approval, it will be rejected and sent back to the Seller at the Seller's expense.

When submitting for approval, seller is to fill in the following field:

1. **Type of request:** Check mark the type of request (Permanent / Temporary)
2. **Supplier:** Name which appears on the Markdom Purchase Order.
3. **Product Code:** this is the code (part number) as it appears on the Markdom Purchase Order.
4. **Date:** Date of submission.
5. **Description of Request…:** A brief description of the request and the reasons for deviation. Please provide sufficient detail to permit Markdom to make an informed decision.
6. **Corrective Action Plan with target Date:** What the seller intends to do to correct the deviation and when he will complete the correction. For permanent request please provide plan to incorporate permanently into the system (example: print change request with marked-up print / PPAP)
7. **Estimated Time for Dev.:** Total amount of time for correction to be implemented. If this is a permanent deviation request please use "Life of the program or target date for PPAP "
8. **Estimated Quantity for Dev.:** The total quantity that is directly affected by the deviation and will be shipped under the deviation. If this is a permanent deviation request please use "Life of the program or target date for PPAP "
9. **Corrective Action Date:** The date as shown as the target date in the Corrective Action Plan.
10. **Lot #'s for Deviation:** All lots that will be shipped under the deviation.
11. **Requested by:** The person who is directly responsible for the implementation of the correction.
12. **Comments:** any additional information that may be required to gain approval for the deviation.

The balance of the form will be for the use of Markdom staff. When a decision has been made regarding the deviation, this portion will be filled in and the Deviation Request will be sent back to the supplier for action. Deviations may take up to 24 hours to process.