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Quality Control

# Supplier Quality Manual

Fastco Industries, Inc.

Updated: **June 20, 2012**



As a potential supplier as well as any current suppliers to Fastco Industries Incorporated it is imperative that you have read and understand all aspects of what is in our Supplier Quality Manual.

If you have any questions or concerns regarding the contents of the Supplier Quality Manual please submit them in writing to [ncowham@fastcoind.com](mailto:ncowham@fastcoind.com). If you agree to follow all the aspects of the Supplier Quality Manual please sign and date this form and return it to [ncowham@fastcoind.com](mailto:ncowham@fastcoind.com). If you are a potential supplier we will need this form signed and returned before we can add you as a supplier. Current suppliers please sign and return this form as soon as possible after reviewing the current version of the Supplier Quality Manual.

The undersigned has read and agrees to all items in the Fastco Industries Incorporated Supplier Quality Manual. If there are any objections to any areas of the Supplier Quality Manual these objections must be submitted in writing with this form.

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

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## ***Introduction and Scope***

Fastco has published this manual in an effort to aid our supply base in providing quality products and services by communicating our expectations. The design and operation of the supplier's system must control and continuously improve product quality, service and price. These elements are essential to continue as an acceptable Fastco supplier.

Unless waived by Fastco, supplier's quality management system shall be registered to the latest revision of ISO9001, TS16949 and/or AS9100 and adhere to its associated documents (e.g. PPAP, APQP, FMEA, SPC, MSA, etc.)

It is the desire of Fastco to purchase products and services primarily from ISO9001, TS16949 and/or AS9100 certified suppliers that have A2LA, NAVLAP, CNLA or ISO/IEC17025 accredited labs. There is a consistency in the quality of service and products produced in these quality systems. Fastco is only as consistent and as predictable as its suppliers in this respect. Fastco reserves the right to copies of accreditations, compliance audits and corrective action plans for our review.

The scope of these requirements applies to all suppliers who process or supply Fastco parts or raw material and affect product quality.

New suppliers and periodically Fastco requires the supplier to fill out a supplier questionnaire to ensure that our supplier database has the most current information.

## ***Quality System Requirements***

### ***Drawings and Specifications***

It is Fastco responsibility to provide the supplier with a Fastco print that details the job and the specifications for the provided service. It is the supplier's responsibility to have available the most current OEM and consensus standards for the provided service. It is also Fastco's expectation that the print and the associated specifications are fully understood by those persons in the supplier's organization that are directly responsible for assuring compliance with stated requirements. If copies of prints are needed, these can be obtained through the Fastco estimating or quality control departments. If OEM specifications are needed these are usually available from the organization that issued the specification or a specification service organization. These may also be provided by Fastco if available. If there is any clarification or interpretation required, it is the supplier's responsibility to contact Fastco to ensure all requirements are fully understood before the commencement of production. Fastco has systems in place to ensure that changes to requirements are properly communicated. Fastco also provides shop travelers/prints as well as purchase orders with each shipment of parts to ensure that our expectations are clearly understood. It is the supplier's responsibility to ensure that these documents are reviewed and understood before production begins.

## **Process Change Control**

Suppliers must have written authorization from Fastco quality control prior to incorporating any changes to production that affect form, fit, function, durability, or appearance of any product produced for Fastco Industries. Fastco quality control will give direction as to how the product incorporating the change will be identified and shipped to Fastco. The supplier's quality system must ensure removal of all obsolete information and provide disposition of all affected product.

## **Lot Control**

The integrity of Fastco's lot must be controlled throughout the supplier's processes. The supplier must have a system in place to ensure 100% compliance to this requirement. The lot number of Fastco product is clearly detailed on the purchase order and traveler and must be used as the primary identification number through all processes used by the supplier.

## **Adherence to Government Regulations**

Suppliers are responsible for ensuring that all materials and processes that are used in the processing or manufacturing of Fastco product are in compliance with Federal, State, and Local government requirements regarding environmental, toxic and hazardous waste, mechanical, electrical and electromagnetic devices. Fastco must be informed when a hazardous material is used in the processing of its product. Fastco may require disclosure of technical information to support reporting activities such as the International Material Data System or REACH program.

## **Qualification of Personnel**

The supplier shall have competent and trained personnel performing production and inspection operations. The quality system must provide for the qualification of these people at these specific operations. The supplier shall have training records detailing all individual and group training activities.

## **Measurement and Test Equipment**

The supplier shall provide inspection and test facilities and equipment for measurement of the conformance of their product or service to the required specifications. All measuring and test equipment, including production tools and gages, shall be checked prior to use and at established intervals to ensure continued accuracy. Calibrations shall be in accordance with nationally recognized measurement standards. Calibration records must be maintained and available for review if requested.

## **Product Protection and Preservation**

The supplier is required to provide controls to ensure all Fastco product is protected against damage, contamination, and corrosion during the production operation and subsequent storage and shipment. The product is to be stored in the original containers provided by Fastco. The supplier must also have all Fastco product properly identified through its entire process. Use of these containers for purposes other than the transportation and storage of Fastco product is viewed as a violation of good business ethics.

## ***Sample Approval / Process Certification***

Fastco provides a checklist of its requirements along with a print of the part, which details the part and process during the quotation phase. This checklist includes a request for quote for the processing of a part. Any comments or exceptions the supplier may have relative to the processing of the part must be listed on this document. This is also the tool that is used by Fastco to communicate changes to processing requirements. The checklist is signed by a Fastco representative and must be signed and returned by the supplier's representative.

Fastco requires control plans and FMEA's for each type of process being run (i.e. neutral harden, case harden, zinc plate, organic plating etc.). The Fastco QC/Eng Manager and PPAP Coordinator require these documents and request them as necessary.

Fastco will alert the supplier in writing once Fastco has approved samples. Typically this will be done once Fastco's customer approves the samples.

Fastco requires that each process performed be certified to ensure conformance to specifications. It is expected that each lot number run be certified and sent with the shipment. Electronic submission of certifications is acceptable provided they are received in a timely manner that does not hinder shipment to Fastco customers. Variable data certifications are typically required, but process certifications may be accepted by special negotiations. All reporting on a certification must be done in the unit of measure indicated on the Fastco print and purchase order.

## ***Nonconforming Product at Supplier Location***

When the supplier has detected a nonconformance to specifications, the supplier must determine the extent of the problem and take prompt action to correct the condition and prevent the shipment of all nonconforming material. The supplier must notify Fastco quality control of any suspect quality problems in shipments already released.

When correction of nonconforming material involves a special salvage operation or request for deviation, the supplier must obtain prior Fastco quality control approval. A detailed plan of the operation is required.

Significant process changes can only be initiated after written approval from Fastco Industries is obtained. Fastco also requires suppliers to inform when a significant process event (such as a power outage) occurs that may affect product quality. Fastco quality control must be alerted in writing when these types of events occur. Fastco requires that these parts be quarantined and written authorization be given for their release. Fastco has sorting systems in place that may be able to detect defective product, but it must be alerted. Fastco requires a signed copy of our policy in this regard.

## ***Nonconforming Product***

If product is rejected at Fastco receiving or through subsequent usage of the product, Fastco quality control notifies the supplier promptly and arranges for the disposition of the product. The generation of a corrective action request (CAR) to the supplier is typically required. This request for corrective action is in the form of an eight-discipline report.

All rejections and/or returns shall be applied to the suppliers PPM rating, detailed in the following section. If Fastco reworks the product at another processor due to time constraints, the product is considered a rejection and the rejection will be applied to the original supplier's PPM rating. The supplier is given every opportunity to rework rejected product when this is possible. It must be noted, however, that our customer dictated schedule must be maintained, and that supplier rework may not be possible in every instance.

## **Cost Recovery**

All costs involved in the return shipment to the supplier, rework activities and expedited freight charges are the responsibility of the supplier. Each quality issue is unique and requires negotiation of specific charges. Fastco does not accept or recognize any statements of limited liability or any "hold harmless" clauses. When Fastco and supplier terms and conditions conflict it is recognized that cost recovery will have to be negotiated in good faith by both parties. Included in this manual is a copy of the Fastco terms and conditions.

## **Pricing and Invoicing**

Fastco's ability to function as a viable, financially solvent company is dependent upon rigorous control of costs and expenditures. When Fastco awards a supplier a job, the supplier is expected to abide by the terms condition of the quotation supplied to Fastco, which will also be reflected on all purchasing documentation sent to the supplier by Fastco. Changes to pricing and any special charges must be approved, in writing, by the appropriate Fastco representative to be effective. Unapproved or unauthorized changes in pricing will not be honored by Fastco.

## ***Supplier Evaluation***

The suppliers included in the scope of this manual are rated on a monthly basis. **The suppliers are notified on a quarterly basis unless their rating falls below acceptable standards during the rating period (at which time they would be notified via separate correspondence).** The rating is based on the degree to which the supplier's facilities, equipment, people, and quality control systems are judged adequate to process parts and materials to Fastco specifications. This is a general evaluation and is used as one indicator of performance. The overall satisfaction of Fastco as a customer is determined by many factors that are not all addressed in this evaluation.

The supplier rating consists of 4 categories; Quality Systems, PPM rating, Corrective Action (CAR) rating and Delivery rating. Each category counts as 25% of the total supplier score. The final score is calculated by adding the points from each category together and dividing by 4.

## **Quality System Rating**

Suppliers who are registered to TS-16949 or ISO 9001 and also have ISO/IEC 17025 accredited labs will receive a quality systems rating of 100. Suppliers who are registered to either

TS-16949 or ISO 9001 or have ISO/IEC 17025 accredited labs will receive a score of 90. Those with no accreditations will receive a quality system rating of 80.

### **Parts Per Million (PPM) Rating**

The PPM is calculated by dividing the amount of defective product shipped to Fastco by the total amount of product shipped in the month. This is multiplied by 1m and results in PPM. There are no points awarded for any PPM over 5,000 and partial points awarded between 0 and 5,000 PPM. A 0 PPM performance, for example, will earn 100 points and a 2,500 PPM will only earn 50 points. Raw material suppliers are given a slightly higher PPM (20,000) due to the bulk nature of wire coils.

### **CAR Rating**

A Corrective Action Request (CAR) is issued by Fastco when we require corrective action for your process. A severity factor from 1 to 4 is assigned to the CAR depending on the disruption caused Fastco and its customers. There is a 5 point penalty for each severity point. Fastco would also expect that CARs be taken seriously and responded to in a timely manner. If the CAR is addressed and Fastco considers the matter closed, the only penalty is the severity deduction. There is, however, a 10 point penalty for every late CAR or corrective action that is not acceptable to Fastco. If, for example, there was an issue with your product or service and it caused a large disruption to Fastco and you did not address this concern in a timely manner, the deduction of points would be  $(5*4)+10$  or 30 points. This would result in a rating of 70 in this category.

### **Delivery Rating**

Fastco has set up mutually agreed upon delivery guidelines with each of our suppliers. We come to expect that our product be delivered on time since we have commitments to our customers that we need to honor. The percentage of product that arrives late to Fastco is taken from 100 for this rating. If 10% of the product was late for the month, for example, the delivery rating would be 90.

### ***Advanced Product Quality Planning (APQP) Activities***

Fastco Industries and its suppliers are required to implement Advanced Product Quality Planning practices as outlined in the AIAG Advanced Product Quality Planning and Control Plan Manual. This is a systematic exercise to analyze the processes that go into manufacturing a product and establish the steps necessary to assure that the product satisfies all customer requirements.

### ***On Site Visitation***

Fastco and its customers reserve the right to request on site visitations to investigate and resolve quality issues with reasonable notice. Fastco and its customers and regulatory authorities reserve the right to the applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable records.

## ***Continuous Improvement***

The supplier is expected to be committed to continuous improvement of quality, service, and price. The design and operation of the supplier's system to control and improve product and service quality are essential elements of its status as an acceptable Fastco supplier.

## ***Policies and Terms***

Fastco has terms and conditions that govern the handling and processing of Fastco parts. It also has a Mutual Confidentiality Agreement and a Significant Process Events Policy (for heat treaters) that must be signed as a condition of doing business. These documents along with the supplier questionnaire can be found in the appendix portion of this manual.

## ***Summary***

This manual is a general guideline of Fastco's expectations as a customer. Fastco also works with its suppliers to resolve specific issues that may arise in the day-to-day transactions of our partnership. Fastco does its best to provide the supplier feedback concerning its satisfaction of the supplier's product and service. It is imperative that the concerns of the supplier are communicated to Fastco and that these issues are addressed. In order to produce a world-class product, Fastco relies on its suppliers for their input in this work. Fastco looks on its suppliers as the experts for their processes. It is our desire to work with our suppliers as much as possible to achieve the value and quality that Fastco and its suppliers need to remain competitive in the world marketplace.

## Contact List

**Fastco Main Line:** 616-453-5428

### Shipping Address

2685 Mullins NW  
Grand Rapids, MI 49534

### President

Bruce Tap  
Direct Line: 616-389-1386  
Fax: 616-791-0481  
Email: [btap@fastcoind.com](mailto:btap@fastcoind.com)

### Sales Manager

Milo Boyce  
Direct Line: 616-389-1409  
Fax: 616-791-2383  
Email: [mboyce@fastcoind.com](mailto:mboyce@fastcoind.com)

### Purchasing Agent

Nel Cowham  
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### Int. Sales / Cost Estimator

Cynthia Schimpf  
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Email: [cschimpf@fastcoind.com](mailto:cschimpf@fastcoind.com)

### HR Manager / Management Representative

Nicole Symon  
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### Customer Service Team Leader

Emily Bradfield  
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Fax: 616-453-2683  
Email: [ebradfield@fastcoind.com](mailto:ebradfield@fastcoind.com)

### Metrology

Tashawn Mack  
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Fax: 616-791-0481  
Email: [tmack@fastcoind.com](mailto:tmack@fastcoind.com)

### Mailing Address

P.O. Box 141427  
Grand Rapids, MI 49514-1427

### Engineering Team Leader

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Fax: 616-453-2490  
Email: [shanna@fastcoind.com](mailto:shanna@fastcoind.com)

### Quality Control Team Leader

Brian Kropp  
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Fax: 616-453-2490  
Email: [bkropp@fastcoind.com](mailto:bkropp@fastcoind.com)

### Int. Sales / Import Coordinator / Cost Estimator

Amy Frantz  
Direct Line: 616-389-1406  
Fax: 616-791-0481  
Email: [afrantz@fastcoind.com](mailto:afrantz@fastcoind.com)

### Outside Processing Coordinator

Amy Ammerman  
Direct Line: 616-389-1380  
Fax: 616-791-8993  
Email: [aammerman@fastcoind.com](mailto:aammerman@fastcoind.com)

### Document Control Coordinator

Dennis Dufresne  
Direct Line: 616-389-1387  
Fax: 616-791-8993  
Email: [ddufresne@fastcoind.com](mailto:ddufresne@fastcoind.com)

### Distribution Team Leader

Jane Fuller  
Direct Line: 616-389-1398  
Fax: 616-453-2683  
Email: [jfuller@fastcoind.com](mailto:jfuller@fastcoind.com)

### PPAP Coordinator

Bruce Hall  
Direct Line: 616-389-1385  
Fax: 616-453-2490  
Email: [bhall@fastcoind.com](mailto:bhall@fastcoind.com)

## ***Appendixes***

Appendix I Fastco Signification Process Events Policy

Appendix II Supplier Questionnaire

Appendix III Mutual Confidentiality Agreement

Appendix IV Additional Purchase Order Terms and Conditions

## Fastco Significant Process Events Policy

Fastco requires notification whenever a significant process event occurs at our heat treating supplier's facilities. Significant events would include such things as a power outage or belt drive failure. When such an event occurs, Fastco needs to know if any of its components were involved with the process event. Typically Fastco would require that any parts involved in an event be re-run. Fastco also requires notification to allow it to increase inspection on said product. Because of the risk associated with defective product, in some instances, Fastco may require the scrapping of parts associated with the process event.

By signing below you agree to adhere to Fastco's Significant Process Events Policy.

\_\_\_\_\_

Name

\_\_\_\_\_

Title

\_\_\_\_\_

Company

\_\_\_\_\_

Date



## Supplier Questionnaire

Company Information	
Company Name:	Date:
Mailing Address (Street, City, State, Zip):	
Supplier of:	Main Phone:
Web Address:	Main Fax:
Comments:	

Contact Information	
General Manager / CEO:	Telephone Number: Email Address:
Plant Manager:	Telephone Number: Email Address:
Quality:	Telephone Number: Email Address:
Sales:	Telephone Number: Email Address:
Customer Service:	Telephone Number: Email Address:
Shipping:	Telephone Number: Email Address:

Quality System	
Does your organization have an established quality management system?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, what is your organization currently accredited to?	
<input type="checkbox"/> ISO9001 <input type="checkbox"/> A2LA <input type="checkbox"/> NAV LAB <input type="checkbox"/> LAB <input type="checkbox"/> CQI-9 (2nd Edition) <input type="checkbox"/> CQI-11 (1st Edition) <input type="checkbox"/> AS9100 <input type="checkbox"/> ISO9002 <input type="checkbox"/> TS16949 <input type="checkbox"/> CNLA <input type="checkbox"/> ISO14001 <input type="checkbox"/> ISO-IEC17025 <input type="checkbox"/> CQI-12 (1st Edition) <input type="checkbox"/> Other - Please Specify	
Comments:	
<p>If your organization is <u>not</u> currently accredited to one of the above, please complete the rest of this survey. If your organization <u>is</u> accredited to one of the above, then please email a copy of your certification, accreditations and/or scope to <a href="mailto:ncowham@fastcoind.com">ncowham@fastcoind.com</a> or fax it to 616-453-2490 attn: Nel Cowham.</p>	



## Supplier Questionnaire

QUALITY SYSTEM INFORMATION		
<b>Management Responsibility</b>		
Has management defined and documented its quality policy, which includes objectives for and commitment to quality?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the quality policy communicated, understood and maintained throughout the organization?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Does management review all quality system elements at defined intervals to ensure its continuing suitability and effectiveness?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>Comments</b>		

Quality System		
Is a quality system established, documented and maintained?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Has a quality manual covering the elements of ISO-9000, TS16949 or AS9100 been prepared?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are supporting procedures documented for each element of the quality manual?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is there a documented planning process?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are feasibility reviews conducted to confirm design and manufacturing process compatibility?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are engineering requirements satisfied at the specified statistical process capability index?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are control plans developed and utilized?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are control plans revised as appropriate when process changes are made?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are PPM's established for quality measurables? Identify below your PPM levels for your major customers.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>Comments</b>		

Contract Review		
Do procedures ensure customer requirements are deployed into the quality system?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>Comments</b>		

Design Control		
Do documented procedures control and verify product design?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Design plans are established and responsibilities assigned for each product?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Resources and facilities are available for computer aided design, engineering and analysis?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Formal design reviews are conducted at appropriate stages per the design plan?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
There are records demonstrating design verification completion?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is performance testing tracked for conformance to specification?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>Comments</b>		



## Supplier Questionnaire

### Document & Data Control

Are there documented procedures for controlling quality system documents and data?  Yes  No

Established procedures ensure appropriate documents are available at all essential operations?  Yes  No

Comments

### Purchasing

Documented procedures ensure purchased products conform to the specified requirements?  Yes  No

Sub-contractors are evaluated and selected for their ability to satisfy quality requirements?  Yes  No

Comments

### Control of Customer-Supplied Product

There are documented procedures for controlling customer-supplied product?  Yes  No

Comments

### Product Identification and Traceability

Documented procedures ensure product identification through all stages of production, delivery, and installation?  Yes  No

Is product traceability maintained and documented?  Yes  No

Comments

### Process Control

Processes, which directly affect quality, are identified and planned for accordingly?  Yes  No

Processes are performed under controlled conditions?  Yes  No

Do controlled conditions include compliance to: quality plans, procedures, workmanship criteria, and process capability requirements?  Yes  No

Are monitoring or process control techniques used when process results cannot be verified by inspection and testing?  Yes  No

Process monitoring requirements and operator instructions are documented?  Yes  No

Do procedures ensure the customer's process capability requirements are satisfied?  Yes  No

Comments



## Supplier Questionnaire

Inspection and Testing		
Procedures defining inspection and testing activities are documented?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do quality plans (Control Plans) or procedures define inspection and test requirements?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is the amount and nature of receiving inspection based on subcontractor control and records of conformance?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Product is inspected and tested as required within the quality plans or procedural requirements?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Process improvement activities utilize defect prevention methods?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Final inspection and testing is conducted according to the quality plan or procedural requirements?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Documented procedures ensure products are not shipped until all requirements are completed?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Comments		

Control of Inspection, Measuring and Test Equipment		
There are documented procedures to control, calibrate and maintain the inspection measuring and test equipment?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
All equipment is calibrated at prescribed intervals, against certified masters with a valid relationship to an international or national calibration standard?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do procedures ensure the handling, storage and preservation of test equipment is controlled?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Comments		

Inspection and Test Status		
Established procedures identify the inspection and test status of products?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Inspection and test status is maintained as defined within quality plans (Control Plans) or procedures?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Comments		

Control of Nonconforming Product		
There are documented procedures to identify, evaluate, segregate and control nonconforming product?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Repaired or reworked products are re-inspected or tested according to quality plans or documented procedures?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Comments		



## Supplier Questionnaire

Corrective and Preventive Action		
Documented procedures define corrective and preventive action requirements?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
A formal problem solving method is defined and utilized to address nonconformance?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Appropriate corrective actions and process changes are implemented to prevent recurrence?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Comments		

Handling, Storage, Packaging, Preservation and Delivery		
Documented methods address product handling to prevent damage or deterioration?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Documented systems ensure materials are labeled and shipped according to customer requirements?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
There is a defined system to monitor and track performance to delivery requirements?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Comments		

Control of Quality Records		
Documented procedures address the control of quality records?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Quality records demonstrating conformance to requirements are maintained?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Quality records are legible, readily retrievable, and accessible for customer evaluation as required?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Comments		

Internal Quality Audits		
Documented procedures address internal quality audit requirements?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Internal audits are completed as planned?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Corrective actions are implemented on a timely basis?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Comments		

Training		
Documented procedures identify training needs and ensure training is provided to personnel performing activities affecting quality?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Personnel are qualified based on education, training and/or experience as required?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Comments		



## Supplier Questionnaire

<b>Servicing</b>		
Procedures are established for communication of information on service concerns to manufacturing, engineering and design activities?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Comments		

<b>Statistical Techniques</b>		
Statistical requirements have been defined for establishing, controlling and verifying the capability of process parameters and product characteristics?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do documented procedures define the control and application of statistical techniques?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Appropriate statistical tools are included within control plans?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
The concepts of variation control (stability) and capability are understood throughout the organization?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Which computer software is used to generate this data?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Comments		

Please remember to email a copy of your certification, accreditations and/or scope to [ncowham@fastcoind.com](mailto:ncowham@fastcoind.com) or fax it to 616-453-2490  
 attn: Nel Cowham.

Survey Prepared By: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

## MUTUAL CONFIDENTIALITY AGREEMENT

THIS MUTUAL CONFIDENTIALTY AGREEMENT (this "Agreement") is entered into this day of [REDACTED], by and between Fastco Industries, Inc., a Michigan corporation, and a Michigan corporation [REDACTED].

### WITNESSETH

**WHEREAS**, -----Fastco Industries, Inc. and [REDACTED] (each, a "Party", and collectively, the "Parties") desire to exchange business information and explore possible business arrangements; and

**WHEREAS**, in connection with this exploration, each Party may need to disclose certain of its confidential and proprietary information and materials to the other Party, including but not limited to internal financial information, trade secrets, blue prints and engineering drawing, customer and supplier lists, marketing surveys and strategies, internal business plans and projections, pricing information, computer software, source and object codes, and any other information that the Parties might reasonably deem as confidential (the "Confidential Information"); and

**WHEREAS**, the Parties desire to maintain the confidential nature of the Confidential Information.

**NOW, THEREFORE**, in consideration of the foregoing, the covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

1. Each Party will fully protect the confidentiality of the other Party's Confidential Information and will not disclose the other party's Confidential Information to any third party other than such Party's employees, representatives or agents (collectively, "Representatives") who have a need to have access to the Confidential Information in order to discuss possible business arrangements between the parties and who agree to be bound by the terms hereof as if they were parties hereto. Each Party will protect the confidentiality of the other party's Confidential Information with no less care that it protects the confidentiality of its own proprietary and confidential information and materials of like kind, but in no event will each Party protect the confidentiality of the other Party's Confidential Information with less than a reasonable standard of care. For purposes of this Agreement, the Party disclosing Confidential Information shall be referred to herein as the "Disclosing Party" and the Party receiving such Confidential Information shall be referred to as the "Receiving Party."

2. Access to the Confidential Information must be restricted to Representatives of Receiving Party on a need-to-know basis who are engaged in the analysis and discussions concerning the exploration of possible business arrangements as contemplated by this Agreement. Furthermore, Receiving Party shall require all non-employee Representatives granted access to the Confidential Information, including but not limited to agents and independent contractors of Receiving Party, to execute a non-disclosure agreement binding such personnel to the confidentiality obligations set forth herein and specifically identifying Disclosing Party as an intended third party beneficiary.

3. For purposes of this Agreement, the term “Confidential Information” shall include any modifications or derivatives prepared by the Receiving Party or any of its Representatives that contain or are based upon any Confidential Information obtained from the Disclosing Party, including any analysis, reports, or summaries of the Confidential Information.

4. Notwithstanding anything contained herein, the Parties will not be obligated to keep the Confidential Information confidential in the event that any such Confidential Information (i) was or becomes generally available to and known by the public (other than as a result of a disclosure directly or indirectly by the Receiving Party or its Representatives in violation of this Agreement), (ii) was or becomes available to the Receiving Party on a non-confidential basis from a source other than the Disclosing Party or its Representatives, provided that such source is not and was not bound by a confidentiality agreement or other obligation restricting such disclosure, (iii) has been independently developed by the Receiving Party without the specific use of, or reference to, any of the Confidential Information disclosed by the other Party pursuant to this Agreement; (iv) is approved for release or disclosure by prior written permission from an authorized representative of the Disclosing Party, or (v) is required to be disclosed by any court order or regulatory authority, provided the Receiving Party makes a good faith attempt to notify the Disclosing Party with a prior opportunity to object to or contest such disclosure.

5. This Agreement will commence on the Effective Date and shall continue in full force and effect: (i) in the case of Confidential Information that constitutes a trade secret under applicable law, for as long as such Confidential Information remains a trade secret, or (ii) in the case of any other Confidential Information, for a term of five (5) years.

6. Upon termination of the relationship between the Parties, or at any time upon request of the Disclosing Party, the Receiving Party will immediately deliver to the Disclosing Party all documents, including copies thereof, which in any way contain or summarize any of the Disclosing Party’s Confidential Information disclosed pursuant to this Agreement. The obligations of the Parties concerning the protection and non-disclosure of Confidential Information shall survive the termination or expiration of this Agreement.

7. The Parties recognize and agree that nothing contained in this Agreement shall be construed as constituting a contract, commitment, or order by any Party for the purchase of any products or services from the other Party. The Parties further understand that this Agreement contains no assurances or promises of sales, purchases or profits regarding any products or services, or that any business relationship will exist or continue for any specified time period.

8. The Parties agree that monetary damages would not be a sufficient remedy for any breach of this Agreement by the other Party or its Representatives, and that, in addition to all other remedies, each Party shall be entitled to specific performance and injunctive or other equitable relief for such breach. Each Party further agrees to waive and to use its best efforts to cause its Representatives to waive any requirement of the securing or posting of any bond in connection with such remedy.

9. This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan, without giving effect to conflict of laws principles.

10. No failure or delay by either Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right, power or privilege hereunder. This Agreement may be modified or waived only in a writing mutually executed by both Parties hereto. If any provision is found to be unenforceable, such provision will be limited or deleted to the minimum extent necessary so that the remaining terms continue in full force and effect. This Agreement is and will be binding upon the Parties and each of their respective affiliates, and upon their respective heirs, successors, representatives and assigns.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be signed as of the date first above written.

**Fastco Industries, Inc.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Company Name**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## ADDITIONAL PURCHASE ORDER TERMS AND CONDITIONS

### ACCEPTANCE OF THIS ORDER IS SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS AND THOSE STATED ON THE FACE HEREOF:

(1) **Acknowledgment and Acceptance:** Seller should acknowledge this Order in writing. Retention of this Order without acknowledgment or objection for a period of ten (10) days or earlier shipment of goods by Seller constitutes an acceptance of the terms and conditions of this Order. Fastco shall not be responsible for any goods delivered or work done on its account without a purchase order signed by a Purchasing Agent of Fastco. Any changes in the terms and conditions of this Order must be authorized by Fastco's Purchasing Agent in writing.

(2) **Shipment:** Time is of the essence. Shipment and delivery must be effected within the time specified on the face of this Order. If Fastco determines at any time that Seller cannot timely fulfill its obligations under this Order, Fastco shall have the right to cancel this Order. If Seller fails to make deliveries or perform services at the agreed time, all damages suffered by Fastco and any premium transportation or other costs required to meet the specified delivery schedule will be at the expense of Seller.

Seller must submit a duplicate itemized invoice showing the purchase order number and a bill of lading for each shipment, giving weight and rate. Seller must enclose a packing list with each shipment showing the contents, quantity, both Fastco's and Seller's part number, description, and purchase order number. A duplicate packing list must also be mailed in the event of carload shipment.

(3) **Price:** The prices specified on the face side are firm and may not be changed without Fastco's written permission. The request for price changes by Seller requires a thirty (30) day advance written notification. The decision to approve or reject any price increase rests solely with Fastco's sourcing department. Seller will provide Fastco with information detailing reasons for the requested increase. Any approved increase will be effective on a date agreed to by Fastco and Seller, but at least thirty (30) days after approval is granted.

(4) **Extra Charges:** Seller shall impose no additional charges of any kind, including charges for boxing, packing, crating, cartage, or shipping, unless specified on the face of this Order or otherwise agreed to in writing by Fastco.

(5) **Inspection and Rejections:** Seller shall certify in writing that the goods supplied by Seller, including all components thereto, conform precisely with the description and/or specifications provided by Fastco. Fastco may inspect and evaluate all goods (including all tooling and material used in their manufacture) and all services at times and places designated by Fastco including at the time such goods are actually used by Fastco. Notwithstanding prior payment or inspection, Fastco may reject, require correction, or return (at Seller's expense and risk of loss) all goods, or any part thereof, that do not conform to applicable requirements. Without limiting its remedies, after due notice to Seller, Fastco may either (a) replace or correct any non-conforming goods or services and charge Seller the cost of such replacement or correction, or (b) cancel the order for default under Clause 18 hereof.

(6) **Specifications:** All goods furnished by Seller under this Order must conform to Fastco's specifications and requirements and Seller shall so certify. Any and all costs, direct or indirect, incurred by Fastco in correcting, sorting, segregating, or scrapping goods which do not conform to Fastco's specifications and requirements will be charged back to Seller. The purchase order number, the quantity, and Fastco's part number must appear on all invoices, packing slips, and containers and each shipment must be accompanied by a bill of lading.

(7) **Drawings:** All drawings, specifications, technical information and data furnished by Fastco to Seller shall remain the property of Fastco. Seller shall not copy, duplicate, or take extracts from such documents without Fastco's prior written consent. Such documents shall be used only in the manufacture and production of goods for Fastco and shall be returned to Fastco at Fastco's request.

(8) **Tooling:** All tools, dies, fixtures, and patterns furnished by Fastco, or which Fastco authorizes the Seller to acquire for work on this Order, shall remain the property of Fastco. Such tooling shall be identified and marked as Fastco's property and shall be maintained by Seller at its expense in suitable operating condition. Seller shall promptly notify Fastco of any damage to any such items. Such tooling may be removed from Seller's plant at any time by Fastco without additional liability to Fastco. Seller shall not use such tooling for non-Fastco production without Fastco's prior written consent. Seller will promptly deliver such items to Fastco on demand, in good condition, ordinary wear and tear accepted.

(9) **Warranties:** Seller extends all warranties provided by law and further warrants and certifies that the goods purchased by Fastco are (a) in exact accordance with any order, description, drawing, specification, or requirement made by Fastco, (b) are free from defects in material and workmanship, and (c) are merchantable. All warranties survive delivery and shall not be deemed waived by reason of Fastco's acceptance of or payment for goods.

(10) **Work on Buyer's Premises:** If Seller's work under this order involves operations by Seller on Fastco's premises, Seller shall take all necessary precautions to prevent the occurrence of any injury to person or property during the progress of such work, and except to the extent that any such injury is due solely and directly to Fastco's negligence, shall indemnify, defend and hold harmless Fastco against all settlements, actual losses, claims for indemnity or contribution, judgments, and costs including actual, not reasonable, attorney fees and costs which may result in any way whatsoever from any act or omission of the Seller, its agents, employees, or subcontractors. Seller shall maintain such public liability, property damage and employee liability and compensation insurance as will protect Fastco from said issue and from any claims under any applicable Worker's Compensation and Occupation Disease acts.

(11) **No Limitation of Liability:** Seller agrees that its liability for any default, breach of contract, negligence, or willful wrongdoing shall not be limited or capped by any contractual provision, whether or not such provision would otherwise be incorporated into this agreement.

(12) **Subcontract Prohibition:** Seller may not subcontract its performance, nor otherwise delegate its duties or assigns its obligations hereunder, without prior written consent of Fastco.

(13) **Compliance with Laws:** Seller warrants that all goods furnished and services performed for Fastco will comply with all applicable federal, state, or other laws, ordinances and governmental regulations.

(14) **Patent Indemnification:** Seller warrants that the goods furnished under this Order, their manufacture or their use, will not infringe any United States or Foreign Letters Patent. Seller shall indemnify and hold Fastco harmless from all loss and liability, including actual legal costs and attorney fees, and damages, resulting from infringement or contributory infringement of any patents covering all or any part of the goods furnished under this Order, their manufacture or their use, including use induced by Seller.

(15) **Remedies:** Nothing herein shall exclude any other rights or remedies to which Fastco is entitled by law or equity.

(16) **Governing Law:** This contract shall be deemed to have been made in Michigan, and any action arising out of it shall be governed by the laws of the State of Michigan. Any action arising out of this Order brought by Seller shall be brought in the courts for the 61<sup>st</sup> District Court or the Kent County Circuit Court, State of Michigan, or in the United States District Court for the Western District of Michigan. Seller consents that such courts shall have personal jurisdiction over Seller with respect to any such action.

(17) **Correction:** Stenographic and clerical errors in this Order are subject to correction and Fastco shall have no liability due to any such correction.

(18) **Severability:** If any provision of this Order is found to be unenforceable by a court of competent jurisdiction, the remaining terms and conditions shall remain in full force and effect.

(19) **Default:** If Seller either fails to deliver goods or perform services at the time specified herein, or fails to perform any other provision hereof and does not cure such failure within a period of ten (10) days after receipt of written notice from Fastco specifying such failure, or, becomes insolvent or enters bankruptcy or makes an assignment for the benefit of creditors, Fastco may cancel the whole or any part of this Order without liability except for payment due for goods and services delivered and accepted.

(20) **Claims Adjustment:** Fastco may at any time and without notice deduct as a set-off against Seller's claims for money due or to become due from Fastco any claims Fastco has or may have arising out of this or other action between Seller and Fastco.

(21) **Entire Agreement:** These terms and conditions contain the entire agreement of the parties with respect to the goods, services, and/or materials which are the subject of this purchase order. Any additional, different or inconsistent terms or conditions contained in any form of purchase order, acknowledgment, acceptance, invoice or confirmation used by Seller in connection with the implementation of this Order will be of no force or effect whatsoever. This Order may be amended or modified only by a separately signed written instrument.