HOPE GLOBAL Creative Engineered Solutions	Title: **Supplier Quality Manual**	
ISO 9001:2008/TS 16949:2009 (E) Quality System Procedure	**QOP – 18-01**	Revision H

Revised By: Global Supply Chain Analyst	Signature: Akshay Poonia	Date: May 18, 2016
Approved By: VP of Global Supply Chain	Signature: Mark Bates	Date: May 18, 2016

1. INTRODUCTION

Hope Global Expectations:

The foundation of a good relationship with our suppliers is premised upon open, effective and proactive communication. The intent of this is to eliminate surprises and special cause events that can impact Hope Global. The occurrence of non-conforming product, unauthorized changes or capability issues, present risk for both Hope Global and our Customers when they are not communicated and managed effectively. These are the principles of Hope Global to meet or exceed our customer's expectations:

1. Safety
2. 100% On-time Delivery
3. Zero-Defects
4. Continuous Improvement

And it's expected that you and your entire supply base will manage with these principles too.

2. PURPOSE:

This procedure specifies the Minimum Quality Requirements for Suppliers to Hope Global. This manual is not intended to replace individual agreements or specifications, but is to be the minimum requirement upon which other requirements and expectations are built.

3. SCOPE:

This manual applies to all Suppliers of Hope Global worldwide operations. A copy of this manual, and Hope Globals terms and conditions are located at www.hopeglobal.com Acceptance of this manual is required to be an approved supplier to Hope Global. It is the responsibility of Suppliers to understand and utilize this manual. Any questions concerning the content of this manual should be directed to Hope Global Supply Chain Department and/or Supplier Quality Engineer (SQE).

Hope Global utilizes the Automotive Industry Action Group (AIAG) format for quality systems, quality planning and statistical methodologies. Suppliers will be expected to establish goals aimed at becoming fully compliant to **TS16949/ISO ISO 9001:2008**. This manual has been written to be in alignment with the AIAG manuals. This manual, in conjunction with the Purchase Order and the component-approved drawings and/or specifications, will serve as the minimum requirements to which Suppliers must adhere. Written authorization from Hope Global is required prior to any deviation to these requirements.

4. **DEFINITION:**

Publications from the Automotive Industry Action Group (AIAG) referenced in this manual and used as a guide to establish the requirements for Suppliers;

4.1. Advanced Product Quality Planning and Control Plan (APQP)
4.2. Potential Failure Mode and Effects Analysis (FMEA)
4.3. Measurement Systems Analysis (MSA)
4.4. Production Part Approval Process (PPAP)
4.5. Quality System Requirements TS-16949
4.6. Statistical Process Control (SPC)

5. PROCEDURE:

5.1. Management responsibility

5.1.1. Suppliers shall have methods in place to measure customer satisfaction. These measurements should be used in identifying the need for corrective and/or preventive actions.

5.1.2. Suppliers must, at a minimum, use the Supplier Performance Ratings as a method of measuring satisfaction. Hope Global will issue the Supplier Performance Ratings report each quarter beginning each January.

5.1.3. The Supplier's rating will be comprised of a score in the following areas.

1. Quality 45%
2. Delivery 45%
3. Cost / Price 10%

A formal Corrective Action Report may be required for an overall score of less than 90%.

See section 5.13 for further explanation relating to non-conforming material.

5.1.4. Suppliers are required to complete a "Supplier Profile" form which will be provided by Hope Globals Supply Chain Dept. Such profile will list all necessary contact information and other relevant company information. Supplier Profiles should be updated annually, or more often as changes occur.

5.1.5. All suppliers of Non-Automotive related material are encouraged to be ISO 9001-2008 Certified. In Lieu of that, A Quality System must be fully implemented to assure Hope Global quality requirements.

5.1.6. All suppliers of Automotive related material are encouraged to be **TS 16949** certified. Those suppliers who do not have TS certification, should at a minimum have ISO:9001 certifications. Those suppliers who are only ISO, or neither ISO or TS must have a quality system in place that can pass a Hope Global quality audit.

5.1.7. It is the Supplier's responsibility to ensure that all regulatory documentation, (MSDS, IMDS, etc) is provided to Hope Global as required.

5.1.8. It is the Supplier's responsibility to ensure that all "due dates", (ie. requests for quote, PPAP submissions, corrective action reports, etc.) are met.

5.1.9. Any Customer Specific Requirements shall be conveyed to the supplier at the beginning of the program with the Purchase Order.

5.2. Quality System

5.2.1. Suppliers should develop and implement a documented system to control processes and ensure quality.

5.2.2. Suppliers must allow for systems audits by Hope Global representatives for any of the following reasons;

- 5.2.2.1. The Supplier is being considered for new or additional business
- 5.2.2.2. The Supplier scored low on the quarterly supplier evaluation.
- 5.2.2.3. The Supplier failed to correct quality problems.
- 5.2.2.4. The Supplier failed to submit acceptable PPAPs or corrective action reports.
- 5.2.2.5. When the quality of supplied product doesn't meet the PPAP/Drawing requirements and/or shows evidence of deterioration.
- 5.2.2.6. To assist the Suppliers in improving performance if is needed or requested.

5.2.3. Suppliers shall submit a PPAP package in accordance with the AIAG Production Part Approval Process manual, when required by Hope Global. The assigned Hope Global SQE will define the Level of PPAP.

- 5.2.3.1. The total PPAP package and related documents (IMDS, material certifications, test reports, etc.) must either be submitted in English or be accompanied by complete translations.
- 5.2.3.2. The PPAP shall be labeled stating, "PPAP Enclosed – Please forward to the Quality Department." The label shall include the following:
  - 5.2.3.2.1. Part Number
  - 5.2.3.2.2. Purchase Order Number, if requested.
  - 5.2.3.2.3. Date of Submission

5.2.3.3. In preparation for the PPAP submission, the Supplier must develop the following process control tools in accordance with the AIAG manuals and should be used to control and improve the process;

5.2.3.3.1. A Process Flow Chart of the process used to produce product

5.2.3.3.2. A process FMEA

5.2.3.3.3. A Control Plan.

5.2.3.4. The PPAP submission should include six (6) sample parts and a full dimensional report for each part. Any change on quantities need to be approved by Hope Global SQE.

5.2.3.4.1. Six (6) parts sent to Hope Global with the PPAP package and one (1) part retained by the Supplier as a master.

5.2.3.4.2. The parts must be marked or tagged to correlate with the dimensional report.

5.2.3.4.3. A process capability analysis on key characteristics as determined by Hope Global shall be done. Cp and Cpk values shall also be calculated and included with the submission.

5.2.3.4.4. No PPAP that deviates from the established requirements shall be submitted without an approved Supplier Request for Deviation.

5.2.3.4.5. The supplier shall obtain a Deviation form with the assigned Hope Global SQE.

5.2.3.4.6. After completing the request, the supplier shall return the Deviation form to the responsible SQE.

5.2.3.4.7. After approval, the Deviation form will be returned to the supplier to be included in the PPAP Submission.

5.2.3.4.8. Suppliers must attach a distinctive label to each shipment until expiration of the deviation status or full PPAP approval is received.

5.2.3.5. The PPAP may be Rejected, Fully Approved, or Interim Approved only by a Hope Global SQE or his manager.

5.2.3.5.1. A new submission of the total or partial PPAP package will be required if the original submission is rejected. Hope Global must submit a full explanation with the reason of the rejection and the new requirements.

5.2.3.5.2. A PPAP warrant that is marked "Interim Approval" will be sent to the Supplier along with an explanation of what is required to gain "Full Approval" and the date that the "Interim Approval" expires.

5.2.3.5.3. On the date that the "Interim Approval" expires, the status of the PPAP reverts to "Rejected", unless an extension has been granted or the warrant has been signed granting full approval.

5.2.3.6. Labs used for testing for PPAP submission must be certified as follows:

5.2.3.6.1. If the supplier utilizes its own internal lab for testing the supplier must be **compliant with ISO/IEC 17025**. The testing performed must be covered under the lab scope.

5.2.3.6.2. If the supplier utilizes a third party lab, the lab must be ISO/IEC 17025 certified, or equivalent. The testing performed by the lab must be covered under the lab's scope of accreditation.

5.2.3.6.3. If there are other specific requirements for the testing facility, Hope Global will inform the Supplier.

5.2.3.7. All certification testing must have been completed within one calendar year of the PPAP submission.

5.2.3.8. All certifications must include a copy of the required results, detailed test data and a statement of compliance.

5.2.3.9. The person who performed the test or inspection must sign and date all reports.

5.2.3.10. All deviations, exceptions, extensions, etc. must be approved, in writing, by the SQE assigned to the affected project.

5.3. Contract Review

5.3.1. Suppliers must maintain records of contracts in accordance with the requirements of the Quality System Requirements manual or written Hope Global agreements.

5.4. Design Control

5.4.1. All designs for tooling used to produce product for Hope Global must be shared with Hope Global if it is requested by Hope Global.

5.5. Document and Data Control

5.5.1. All Hope Global's prints, specifications and manuals received from Hope Global are Hope Global property and must be returned to Hope Global upon request.

5.5.2. When Hope Global issues revised prints, specifications or manuals, the obsolete copies must be marked obsolete, destroyed, or returned to the proper Hope Global SQE.

5.6. Purchasing

5.6.1. Suppliers shall be fully responsible for all aspects of controlling the quality and delivery of product or services from sub-suppliers.

5.6.2. Suppliers shall be responsible for ensuring that sub-suppliers understand and meet Hope Global requirements and expectations.
5.6.3. Suppliers, upon request from Hope Global, shall provide PPAP submissions for material, certificates of compliances or services from sub-suppliers.
5.6.4. Suppliers shall ensure that all certifications and other required documentation is available for product or services from sub-suppliers.
5.6.5. Suppliers shall, upon request, arrange for Hope Global representatives to visit sub-suppliers.

5.7. Control of Product to be supplied:

5.7.1. Suppliers shall store and maintain all products supplied to Hope Global, in a manner that will prevent damage or loss.
5.7.2. Any supplied product that is damaged, lost, or otherwise unusable must be documented and reported to Hope Global.
5.7.3. Hope Global owned tools and equipment shall be permanently marked so that the ownership of each item is visually apparent.
5.7.4. Hope Global owned tools and equipment may not be used for any other customer without written approval from Hope Global.
5.7.5. Hope Global owned reusable packaging must be handled and stored in a manner that will prevent damage or loss.
5.7.6. Prior to each use, the Supplier must inspect and clean all reusable packaging to ensure that the packaging will protect product during storage and shipment.
5.7.7. Hope Global owned reusable packaging must be permanently marked so that ownership is visually apparent.
5.7.8. Suppliers must maintain an accurate inventory of all Hope Global owned packaging.

5.8. Product Identification and Traceability

5.8.1. Suppliers shall ensure that all products are identified according to print and /or purchase order specifications.
5.8.2. Unless otherwise specified by Hope Global, Suppliers shall utilize an effective system, such as unique lot numbers and date stamps, to maintain lot traceability to raw material.
5.8.3. Material received by Hope Global must have the outside of each carton marked with two 4" x 6" barcode labels with the following information; **(Appendix D)**
  5.8.3.1. Hope Global Part number
  5.8.3.2. Part name
  5.8.3.3. Quantity
  5.8.3.4. Hope Global Purchase Order number
  5.8.3.5. Date of manufacture

5.8.3.6. Lot number
5.8.3.7. Vendor number
5.8.3.8. Supplier's name

5.8.4. Any failure to properly label may cause a rejection of the material with the proper charge back to re-label the material or disposition of it.

5.8.5. Hope Global may request material prior to formal approval for evaluation purposes. Material shipped to Hope Global prior to PPAP approval must have the outside of each carton marked as follows "Sample Parts". (this requirement does not apply to items which have Interim approval); **(Appendix E)**

5.8.6. Matching bar code labels and "Sample Parts" labels shall be on adjoining sides of each carton. ORANGE color is preferred.

5.9. Process Control

Suppliers shall identify and plan the production, installation and servicing processes that directly affect the quality of product supplied to Hope Global. Suppliers shall ensure that these processes are carried out under controlled conditions.

5.9.1. Suppliers shall have documented procedures for process monitoring.

5.9.2. The Supplier should have detailed operator instructions for all employees having responsibilities for operation of processes.
5.9.2.1. All instructions should be accessible to the workstation.
5.9.2.2. The instructions should be derived from the sources listed in **The PFMEA and Control Plan.**

5.9.3. Where key characteristics (control dimensions) are identified on the print, Hope Global requires that the Supplier monitor the process capability on an on-going basis.
5.9.3.1. Each of these items must be identified in the Control Plan.
5.9.3.2. For all control dimensions SPC data showing capability must be submitted with the PPAP package.
5.9.3.2.1. Capability Studies require a check of 100 pieces taken from a 300 piece run or as defined by the HG SQE.
5.9.3.2.2. The process shall achieve a CPK of **1.67 or** higher.
5.9.3.3. Gauge R&R studies must be submitted with the PPAP package for all gauges used to collect SPC data.
5.9.3.4. Hope Global may require submission of SPC data on a regularly scheduled basis.
5.9.4. Suppliers shall maintain records of all process changes and the effective dates.
5.9.4.1. A new PPAP must be submitted and approved by Hope Global prior to implementing any process or material changes.

5.9.5. For Suppliers manufacturing parts designated by the customer as "Appearance Items", the following requirements must be met:
5.9.5.1. Appropriate lighting for evaluation areas, (Hope Global may specify the lighting requirements for inspection of product).
5.9.5.2. Masters for color, grain, gloss, metallic, brilliance, texture, distinctness of image (DOI) as appropriate.

- All masters must be approved and dated by either Hope Global or Hope Global's customer.

5.9.5.3. Boundary samples exhibiting the maximum allowable defect, (max limit samples) may be provided by Hope Global, All Boundary Samples must be approved and dated by Hope Global. In addition, the supplier may initiate boundary samples and may use with Hope Global approval.

5.9.5.4. Supplier is responsible for maintenance and control of appearance masters and evaluation equipment.

5.9.6. All records pertaining to process control shall be available for review by Hope Global upon request.

5.10. Inspection and Testing

5.10.1. Suppliers shall establish and maintain documented procedures for inspection and testing activities to ensure that the specified requirements for the product are met. The control plan may satisfy this requirement.

5.10.2. Product shall not be moved to subsequent processes or shipped until all inspections and tests have been successfully completed and the results documented, unless positive recall procedures are utilized.

5.10.3. Where required, the quality plan (Control Plan) should include inspection of incoming product. Put something about certifications. In RI

5.10.4. All inspection and test records shall be maintained and available for review by Hope Global.

5.10.5. The Supplier's test and inspection laboratory should be operated and maintained in accordance with **TS 16949** or **ISO 9001:2008**.

5.11. Control of Inspection, Measuring and Test Equipment

5.11.1. Suppliers must maintain calibration records for all inspection and test equipment used to make pass/fail decisions on products manufactured for Hope Global.

5.11.2. All calibrations must be current and all test or inspection equipment tagged or labeled showing current calibration status.

5.11.3. All masters and Boundary Samples must be included in the calibration program.

5.12. Inspection and Test Status

5.12.1. All Hope Global products should be labeled showing throughout the manufacturing process.

5.12.2. When required by Hope Global, additional verification/identification and/or certification requirements shall be met.

5.13. Control of Nonconforming Product

5.13.1. Suppliers shall request a deviation prior to shipping any product that does not meet all specified requirements, or that was produced outside the process approved by the PPAP. This should only be used in the rare instance where there is data to show that the product us usable by Hope Global. Shipment is authorized after Hope Global does an evaluation and approves. and has notified and received approval from customers to Hope Global. An approval signature from the SQE on the requested deviation authorizes shipment.

5.13.2. All rework and/or repair which is not part of the normal process (process approved as part of PPAP) must be authorized, in writing, by the Hope Global SQE prior to shipment of product.

5.13.3. Suppliers shall contact Hope Global immediately if it is discovered that suspect product may have been shipped to Hope Global.

5.13.4. When defective material is detected at Hope Global, a Discrepant Material Report, (**DMR Appendix B**), will be sent, via fax or e-mail, to the Supplier detailing the nature of the problem, the part number and quantity of parts involved.

5.13.4.1. The supplier shall document the reason for the nonconformance and the corrective action on a proper 8D form (**Appendix A**) and return it to the Hope Global SQE.

5.13.4.2. The Supplier shall respond within 24 hours of the DMR date.

5.13.4.3. The Supplier's performance rating for the current period will be negatively impacted by each DMR issued.

5.13.4.4. The Supplier's performance will also be negatively impacted by failure to respond on or before the response due date.

5.13.5. Upon notification that nonconforming product has been detected at Hope Global, the Supplier shall contact Hope Global immediately to discuss options and disposition of the nonconforming product.

5.13.6. The Supplier may choose to have nonconforming material returned to their facility, scrapped at Hope Global, or, if approved by Hope Global, arrange for the material to be sorted and/or reworked.

5.13.6.1. The Supplier is responsible for all transportation charges associated with returning nonconforming material.

5.13.6.2. If the product supplied to HG **does not meet the agreed upon specifications** provided at the beginning of the program, the charge back matrix attached in **Appendix C** may apply. In the event that these charges do apply, HG

shall provide supporting documentation to show the material is not within specification.

5.13.6.3. Hope Global may refuse to allow sorting and/or rework of nonconforming material.

5.13.6.4. All rework must be approved by Hope Global on an individual basis.

5.13.6.5. All reworked material must be identified in a method approved by Hope Global.

5.13.6.6. The Supplier is responsible for all costs associated with sorting and/or reworking nonconforming material.

5.13.6.7. The Supplier-Partner is responsible for the supervision of personnel performing sort and/or rework of nonconforming material at Hope Global.

5.13.7. If Hope Global has not received a response from the Supplier within five (5) days of issuing a defective material notice, a debit memo may be issued.

5.13.8. If a response is not received within ten (10) days of issuing a defective material notice, the defective material may be returned to the Supplier without authorization.

5.13.9. When defective product is detected at Hope Global, the Supplier shall provide for sorting, rework, or replacement of parts to ensure that production needs are met.

5.13.10. If continuous quality issues or reoccurring 8D's force HG to have to sort and or rework material, HG may charge back such sorting charges to the supplier.

5.14. Corrective and Preventive Action

5.14.1. When a request for a corrective action report is received from Hope Global, the response must be documented on an 8D form, Hope Global's form could be used and can be requested to the SQE.. A copy is attached on the **Appendix A** of this manual.

5.14.2. Special attention must be given to identification of the root cause and action to prevent recurrence.

5.14.3. When a request for a corrective action report is received from Hope Global, a response detailing the short term containment action(s), must be received by Hope Global within twenty-four (24) hours after being issued.

5.14.4. Unless otherwise stated, a complete response detailing the permanent corrective action is due within fourteen (14) days from the date of issue.

5.14.5. All responses must be reviewed and approved by the Hope Global Quality Manager.

5.14.6. If the Quality Manager rejects a corrective action response, the Supplier will be required to respond with a different corrective action within ten (10) days from the rejection date.

5.15. Handling, Storage, Packaging, Preservation, and Delivery

5.15.1. Supplier shall develop procedures to handle, store, package, and ship material in a manner to ensure that it meets all functional and appearance specifications upon arrival at Hope Global.

5.15.2. Material may be rejected at Hope Global Incoming Inspection due to damaged or incorrect packaging if the packaging is not adequate to protect the material during handling and storage at Hope Global.

5.15.3. Whenever is possible the material supplied to Hope Global must be on pallets that can be moved with standard warehouse equipment.

5.15.4. All package labels must be positioned in a manner that allows the package labels to be read without rearranging the material on the skid.

5.15.5. When a shipment contains several cartons of the same part, cartons may be placed in the center of the skid, thus hiding the labels.

5.15.6. All material supplied to Hope Global must be packaged, labeled, and shipped in accordance with the guidelines set forth in This Manual and/or the Purchase Order

5.15.7. Suppliers must have on file documentation which certifies that the raw materials used in the production of Hope Global products meets the print specifications.

5.15.8. When the total quantity of material specified on the release is not received at Hope Global within the week specified on the release or a quantity less than the amount specified is received, the Supplier will receive a Notification.

5.15.8.1. The supplier shall document the reason for the delivery error and the corrective action and return it to the Hope Global Buyer, if is requested.

5.15.8.2. The Supplier shall respond on or before the response due date if is given by the Buyer, and 8D form can be used.

5.15.8.3. The Supplier's performance rating for the current period will be negatively impacted by each issued.

5.15.8.4. The Supplier's performance will also be negatively impacted by failure to respond on or before the response due date, if it was submitted by the Buyer.

5.15.8.5. All Restricted, Toxic and Hazardous Materials shipments must include a blanket warrant or certificate that products comply with governmental & safety regulations with regard to packaging, labeling, storage, handling and first Aid Instruction.

5.16. Control of Quality Records

5.16.1. Suppliers should adhere to the minimum record retention times specified by the **TS 16949** manual for all Hope Global product.

5.16.1.1. Hope Global may require extended retention times.

5.17. Internal Quality Audits

5.17.1. Suppliers should develop an internal audit program to insure that all established policies and procedures are being followed.

5.18. Training

5.18.1. Suppliers should maintain training records for all employees who are required to make pass/fail decisions on parts supplied to Hope Global.

5.19. Statistical Techniques

5.19.1. Suppliers should investigate opportunities to utilize statistical techniques as defined in the AIAG manual.

6.0 Global Working Conditions

6.1. Recognizing that our supply chain spans many different regions around the globe, HG is committed to maintaining global working conditions and standards that result in dignified and respectful treatment of all employees within all our global operating locations, as well as those of our supply chain. It is therefore HG's expectation that our suppliers will have appropriate policies, procedures and systems in place, to support the following standards:

6.1.1. Child labor shall not be utilized. Underage labor, as defined by local labor law, will not be utilized unless it is part of a government approved training or apprenticeship program that clearly benefits the participants.

6.1.2. Any form of forced or compulsory labor is prohibited.

6.1.3. Workers, without fear of reprisal, intimidation or harassment should be able to communicate openly with management regarding working conditions. They shall also have the right to associate freely and join labor unions and workers' councils in accordance with local laws.

6.1.4. Workers shall be protected against any form of harassment and discrimination in any form, including but not limited to gender, sex, age, religion, disability and political beliefs.

6.1.5. Workers shall have a safe and healthy workplace that meets or exceeds all applicable standards for occupational health and safety.

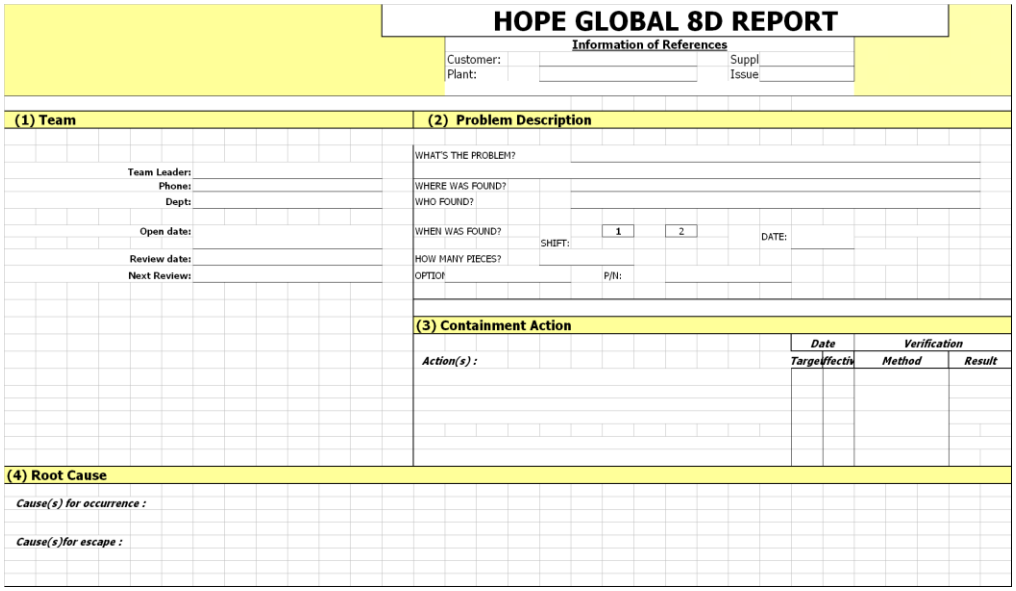
6.1.6. Workers shall be compensated with wages and benefits that are competitive and comply with local law, including minimum wages, overtime hours and legally mandated benefits.

6.1.7. Working hours shall comply with all applicable local laws regulating hours of work.

It is our expectation that all our suppliers will maintain these global working conditions in all their operations, while also promoting adoption of these principles with their own supply base.

Appendix A: 8-D Form

This form must be used to submit the corrective actions. A supplier's form can be used only if meets with the same steps.



HOPE GLOBAL 8D REPORT

Information of References

Customer: Suppl

Plant: Issue

(1) Team

Team Leader:
Phone:
Dept:
Open date:
Review date:
Next Review:

(2) Problem Description

WHAT'S THE PROBLEM?
WHERE WAS FOUND?
WHO FOUND?
WHEN WAS FOUND? 1 2 DATE:
SHIFT:
HOW MANY PIECES?
OPTION P/N:

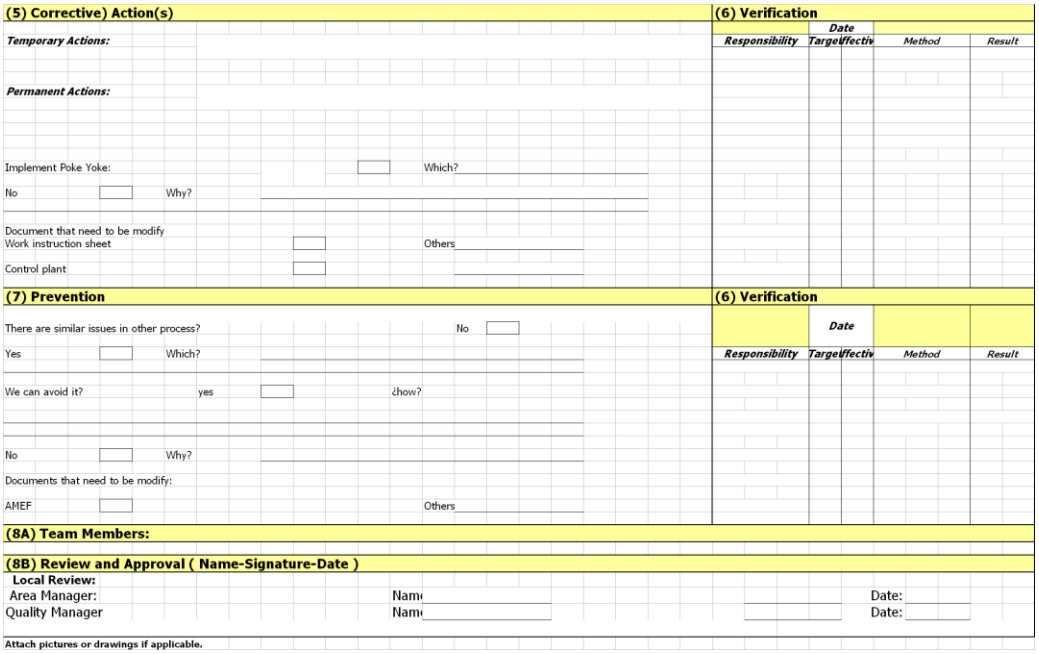
(3) Containment Action

Action(s) :	Date Target	Date Effectiv	Verification Method	Verification Result

(4) Root Cause

Cause(s) for occurrence :

Cause(s)for escape :



(5) Corrective) Action(s)

Temporary Actions:

Permanent Actions:

Implement Poke Yoke: Which?
No Why?
Document that need to be modify
Work instruction sheet Others
Control plant

(6) Verification

Responsibility	Date Target	Date Effectiv	Method	Result

(7) Prevention

There are similar issues in other process? No
Yes Which?
We can avoid it? yes How?
No Why?
Documents that need to be modify:
AMEF Others

(6) Verification

Responsibility	Date Target	Date Effectiv	Method	Result

(8A) Team Members:

(8B) Review and Approval (Name-Signature-Date)

Local Review:
Area Manager: Nam Date:
Quality Manager Nam Date:

Attach pictures or drawings if applicable.

Appendix B: Discrepant Material Report (DMR form)

Discrepant Material Report

HOPE GLOBAL Engineered Textile Solutions

DMR # _____

From: _____
Date: _____
Plant: _____

Supplier: _____
Phone # _____
Fax # _____

Distribution

Supplier _____
Accounting _____
Purchasing _____
Inventory _____

The table below shows the material rejected at Hope Global. Disposition for material should be received within three (3) working days. If disposition is not received within the three (3) day period, material will be scrapped and charged to supplier's account. The DMR number will then be used as the Return Goods Authorization # .

Qty Defective

Qty	Selling price	Total price
Total		$

R.M.A. #: _____
Supplier: _____
Lot # _____
Auditor: _____
e-mail: _____

Part Description: _____

Defect Description: _____

Responsibility (circle one)	Hope	**Supplier**	Carrier	
Disposition (circle one)	Return	**Rework**	Sort	Scrapped
Type of return (circle one)	Shipment	**Accumulation**	Obsolete	

8D Required : _____

Freight Claim # _____

Quality Signature: _____

Hope Global Phone #: _____

Hope Global Fax #: _____

E-mail: _____

Costs

Sorting @ $50.00 /hr/man $ _____

Third Company (actual cost) $ _____

Rework @ $50.00 /hr/man _____

Administration Fee ($150.00) (Cust. Fee) _____

Material: _____

Freight: _____

Total $ _____

Form # 14-03 Rev B 01/14

Appendix C: Supplier Charge Back Schedule

ITEM	COST (US Dollars)
Administration Fee DMR	$ 150.00 per
Any additional materials scrapped due to defective component received	Actual Cost
Sort / Rework / Material-Handling	$ 50.00 per hour
Rework / Sorting performed in Hope Global's facilities (Supplier or 3rd party)	Actual Cost
Overtime charges due to hours worked as a result of Non-Conforming material required to meet Customer Releases	Actual Cost (Double on Weekends and Holidays)
Late PPAP or No PPAP provided (If applicable)	$150 per occurrence
Review and Disposition of Accumulative Non-Conforming Material	Storage Cost (Actual Cost Square Footage occupied) Additional to the cost of the material
Downtime due to material shortage	$ Actual Cost
Premium Freight	$ Actual Cost
Costs Incurred at Hope Global's Customers due to a supplier issue	$ Actual Cost
Additional cost (Traveling, supplies, etc)	$ Actual Cost

Appendix D: SUPPLIER BAR CODE LABEL

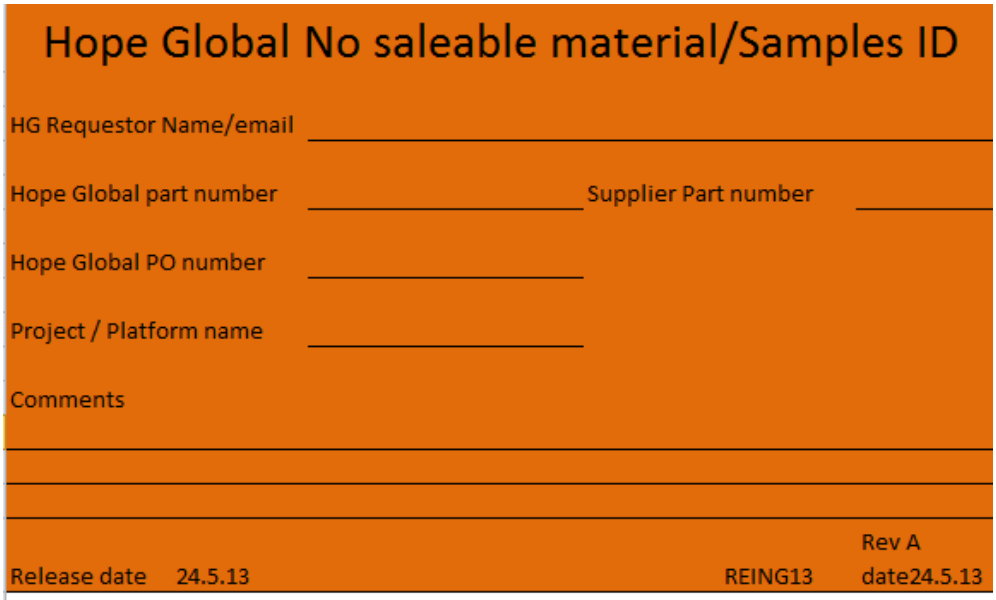
	Block Dimensions (mm)	Human Readable characters	Bar Code	Technical Notes
HOPE Part Number [(P) PART #:]	28x152	10 mm high Regular With	10 mm high Line x-Dim=17.5 mil "P" data identifier	This field pertains to Hope Global part numbers. HOPE Part Number format consist on different letter/number segments separated with dots, notice that it can include zero and O's. If you have any doubt you may ask your procurement contact to clarify. Item number should be totally included, do not use partials.
Quantity [(Q) QTY #:]	26.5x73	10 mm high Regular With	10 mm high Line x-Dim=15.0 mil "Q" data identifier	
HOPE Part Description [PART NAME:]	26.5x79	5 mm high Regular With	None	
Vendor Number [(V) VENDOR #:]	21.5x73	5 mm high Regular With	10 mm high Line x-Dim=15.0 mil "V" data identifier	Vendor id is a folio generated by our system. It appears on the headers of the PO.
HOPE Purchase Order Number [(K) P.O. #:]	21.5x79	5 mm high Regular With	10 mm high Line x-Dim=15.0 mil "P" data identifier	
Lot number [(L) LOT #:]	26x105	5 mm high Regular With	10 mm high Line x-Dim=15.0 mil "L" data identifier	
Manufacture Date [MFG DATE]	26x47	5 mm high Regular With	None	
Supplier Name	None	3 mm high Regular With	None	
Address	None	Optional 3 mm high Regular With	None	*1232*

GENERAL NOTES:

- Use Code39 Font, you must include the exclamation character (!) or the asterisk (*) as the start and stop of each barcode for the barcode to scan properly.
- Each code must start with identifier letter (P) for part, (K) for PO, (Q) for Qty etc.
-Print quality should be good enough to scan. Please review this periodically.

(P) PART #: 310.02416.00910.21002.00000 P310.02416.00910.21002.00000	
(Q) QTY #: 172 Q172	PART NAME: NYLON SHOCK CORD 3/8"" BLACK STEAMED BULK
(V) VENDOR : 2382 V2382	(K) P.O. #: 7057 K7057
(L) LOT #: TEST-1256-LOT LTEST-1256-LOT Supplier de Mexico S.A. de C.V - GTO	MFG DATE: 02-18-2015

Appendix E: SAMPLE PARTS LABEL (ORANGE COLOR)



1.- Orange Label
2.- 4" Tall X 6" Long overall size of the label
3.- Must be at all sides of the package