



**SUPPLY SPECIFICATION – CAP 001**

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**PREPARATION AND APPROVAL**

|   |
|---|
| Prepared by Boroni Denis                  |
| Checked and Approved by Streparava Renato |

**ANNEXES**

|         |     |   |
|---------|-----|---|
| 403-GPC | V.1 | General Purchase Condition of Goods and/or Services |
|         |     |   |

**REVISIONS**

| Rev. | Chap. | Page | Reason Why        | Date       |
|------|-------|------|-------------------|------------|
| 4    | /     | /    | GPC references    | 15/01/2021 |
| 3    | /     | /    | Second Emission   | 20/03/2019 |
| 2    | 4     | 2    | Approval requests | 05/02/2016 |
| 1    | /     | /    | First Emission    | 08/02/2014 |



## 1. SCOPE AND PERIMETER

This document details the General Purchasing Condition document (mod. 403-GPC) as basis of business relationship between Olmer Company and their Suppliers/Customers

The purpose of the herewith document is the development of a robust Supply Chain, able to grant high quality standard, reliability and performances on products and services.

The Company perimeter of the Supply Chain is:

- Raw Materials
- Mechanical Processes
- Thermal Treatments
- Painting Processes
- Galvanic Treatments

## 2. SOCIAL AND COMPANY RESPONSABILITY

Olmer Company adopt internal Ethic Code with the goal of assuring performances allined with the current law, under the respect of market price level with the maximum competence.

The basis of the Ethic Code is the maximum respect of the individual without daming its morality.

The respect of the Ethic Code is mandatory to work with Olmer Company

## 3. SUPPLIERS QUALIFICATION PROCEDURE

The Qualification Procedure of the Supplier is divided into:

- Qualified Supplier for automotive business
- Qualified Supplier for other business than the automotive one

| BUSINESS        | MIN. REQUIREMENTS   |
|-----------------|---|
| AUTOMOTIVE      | <ul style="list-style-type: none"><li>• IATF 16949 Certification<br/><i>And/or</i></li><li>• ISO 9001 Certification + Olmer Audit Process</li></ul> |
| NOT- AUTOMOTIVE | <ul style="list-style-type: none"><li>• ISO 9001 Certification<br/><i>Or</i></li><li>• Olmer Audit Process</li></ul>                                |

The Suppliers in disaccordance with the described above qualification procedure are not enabled to enter in the Company Supply Chain.



## 4. SUPPLY CHAIN

### 4.1. PURCHASED MATERIAL

The Supplier is the only responsible for the used raw material and auxiliary material in its process.

Olmer Company request to their Supplier Portfolio to be in compliance with the REACH-IMDS regulation and with the regulation no. 200/53/CEE relative to the material constrictions.

During the Approval Procedure, Olmer Company require to their Suppliers to annex with the PPAP Documentation the related Safety Data Sheet, in compliance with the current REACH Regulation.

(See par. 4.9 – mod.403-GPC)

In particular to the Raw Material Suppliers, The Company require as mandatory the fulfilling of the Conflict Mineral Survey, each year.

### 4.2. SAMPLES FOR APPROVAL

The serial production (lev. C) is determined by the approval of the sample/prototype (lev. B).

The Supplier must annex with the samples the requested documentation, according to the following table:

| ID no. | Documents   | Product Classification |   |   |
|--------|---|------------------------|---|---|
|        |   | A                      | B | C |
| 1      | Physical Samples  | X                      | X | X |
| 2      | Dimensional Report                                      | X                      | X | X |
| 3      | Material Report (completed with the whole test package) |                        | X | X |
| 4      | Packaging   | X                      | X | X |
| 5      | Flow Chart  |                        |   | X |
| 6      | PFMEA   |                        |   | X |
| 7      | Control Plan  |                        |   | X |
| 8      | Capacity Study (Cp/Cpk)                                 |                        |   | O |
| 9      | MSA   |                        |   | O |

#### 1. Physical Samples

As first stage (Lev. B), the Supplier supply to the Company a significant representative sample/prototype

#### 2. Dimensional Report

The Company provide to the Suppliers, for the control procedure, the file named ""CERTIFICQ.xls"" to be fulfilled.



The product dimensional control must be done on all cast figures of the moulds in case of die cast items or on all the tools position in case of machined items.

The whole drawing quote must be controlled.

All the controls of the jet scanning must be carried out using the mathematical model of the machined product.

The dimensional control of the raw material, done by 3D scanner, is accepted if agreed with the final Customer.

### **3. Material Report**

All supplies to the Company must be joined with complete material analysis certificates.

The term complete means that all the characteristics required by the reference tables indicated on the technical drawing must be declared.

In the first supply, the material micrography and any mechanical tests are required as mandatory.

### **4. Packaging**

The standard dimension to be used is the EUR Pallet (LxWxh) → 1200x800x950

The acceptable maximum weight is equal to 1600 Kg.

The Supplier may use different standard only after Company authorization.

### **5. Flow Chart**

The Company require to the Suppliers a flowchart of their process describing, step by step, all the sequences need to satisfy the requests.

### **6. PFMEA**

The Supplier must develop a Process Fmea, in accordance with the specific requests of the final Customer (CNH ENPJ 105, FPT FPI MEP 003, FMEA Aiag, ..... )

### **7. Control Plan**

The Supplier must carry out a control cycle reporting the controlled quotas, the control frequency, the controls registration , the used tool and any reaction plan in the event of a non-compliance status.

### **8. Capacity Study (Cp/Cpk)**

If requested, the Supplier must carry out a preliminary capacity study on the special characteristics indicated in the technical drawing (see par. 4.3).

### **9. MSA**

If required, the Supplier must have reproducibility and repeatability studies on the measuring instruments used to control the characteristics.

The product classification will be communicated on the purchase order.

The material delivered without this documentation is to be considered non-compliant until the registration of the above indicated documentation.





Without the release of production approval the Supplier is not authorized to the production of the product.



### 4.3.SPECIAL CHARACTERISTICS

The Company identify three levels of special characteristics, detailed in the underneath table.

If requested in the approval phase, the Supplier must grant to the Company the minimum production capacity, agreed in the contract

| Characteristics        | Symbol   | Description  | Requirements            |
|------------------------|--|--|-------------------------|
| <b>Safety/Critical</b> | <br><br>Part level S<br><br>Part level C | Part / assembly is usually very complex and performs critical and complex functions.<br><br>The failure leads in further consequences for the entire vehicle and serious operator safety concerns. | Cpk > 1.67<br>(5 sigma) |
| <b>Important</b>       | <br>Part level T<br>Part level F/C  | Part / assembly with medium complexity.<br><br>The failure leads in risk of instability or limited part / process failure  | Cpk > 1.33<br>(4 sigma) |
| <b>Secondary</b>       |   | Part / assembly with standard functionality, performs non-complex functions.<br><br>The failure, historically, has not caused particular problems.   | -----                   |

### 4.4.REGISTRATIONS

All the process documentation (Drawings, Specifications, Instructions, controls Registration, Certificates, ...) must remain available for consultation by the manager of The Company.

The Supplier must guarantee the traceability of the material, the documents must be kept for 10 years for parts with Important and Secondary characteristics, while for products with Safety or Critical characteristics, conservation must be carried out for a period of at least 15 years.



## **5. DELIVERY**

All the supplied material must be joined with the material certificate (Mill certificate), according to the regulations required on Drawings, Documents and Specifications.

The compliance with the delivery dates and quantities, indicated on the purchase order, must be respected (see general purchase condition, paragraphs 10 and 11 code 403-GPC).

The goods delivered in quantities greater than those requested, if not previously agreed, will be returned to the Supplier with a charge of the transport cost.

## **6. PRICE-PAYMENT**

See General Purchase Condition, par. 16 (cod.403-GPC).

## **7. MODIFY**

The Company reserve the right to modify, at any time and upon written notification, the drawings, materials and technical specifications.

The Supplier undertakes to apply these modifications within the times and according to the conditions previously agreed with the Company.

The Supplier must not make any changes to the drawings, materials and technical specifications without the prior written approval of Olmer srl.

No changes to the Approval process are allowed.

In the event that the supplier must modify the process, a new sampling must be performed and a new production approval issued (see Chapter 4.2)

## **8. LOAN OF MOULDING/TOOLS**

See General Purchase Condition, par. 5 (cod.403-GPC).

## **9. DEROGATION**

The only accepted material is the one approved in the PPAP phase.

The acceptance of any product under derogation must be requested in writing form to the Company, who will subsequently evaluate the request and agreed with the final Customer