



Supplier Requirements Manual

CURT Manufacturing Supplier Requirements Manual

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1.0 CONTROL RESPONSIBILITY

CURT Manufacturing Cross Function Teams (CFT), consisting of Supplier Quality and Purchasing, hereafter referred to as CFT, has the responsibility to maintain this manual. The latest version of the manual is on the CURT SharePoint website under QMS- Reference Documents-Supplier Requirements Manual. It is CURT Manufacturing's responsibility to ensure that the supplier has the latest version when referring to this manual.

In the event that a conflict arises between the requirements detailed in this document and any other CURT document, the supplier should immediately notify the appropriate purchasing resource, who will assume the responsibility to resolve these issues.

1.1 PROPRIETARY INFORMATION SHARING

CURT recognizes our responsibility to provide suppliers with complete definitions of CURT requirements. To this end, the supplier will be provided with materials specifications, test and control requirements, and all other pertinent information which defines a product's quality requirements.

This manual, all other provided specifications, technical data and engineering drawings are considered confidential. Suppliers are required to treat this information with strict business confidence. Disclosure to third parties, in any form, without written authorization is prohibited; with the exception of third party registrar access during a QMS registration audit.

1.2 PURPOSE & APPROVAL

The purpose of this document is to communicate expectations to our suppliers. These expectations may be specifically defined here or in the form of a named reference that provides further detail.

All communication will be in English whether verbally or written. Methods of communication used are telephone, email, EDI, or fax.

1.2.1 Scope

This manual applies to suppliers of Buy / Sell items, production and assembly components, services and materials (**herein referred to as product**) that are used in production or Sales at CURT Manufacturing.

Long term business relationships will be developed with suppliers who demonstrate ability and commitment in meeting CURT Manufacturing requirements, IATF16949, ISO9001: 2015, Quality System Requirements, deliver on-time and are competitively priced.

No portion of this manual is intended to imply that CURT Manufacturing will accept anything other than 100% defect free product.

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1.3 QUALITY SYSTEMS REQUIREMENTS & EVALUATION

1.3.1 QMS - Quality System Evaluation

Suppliers shall be approved through one or more of the following methods:

- IATF16949 and/or ISO 9001 third party registration
- Supplier Self-Assessment Questionnaire (for non-OES suppliers)
- On-site audit conducted by CURT Manufacturing or their representative. The audit formats may vary for domestic and international suppliers.
- CURT Manufacturing may accept second party audit results (i.e. from Mobis, Mopar, Hyundai, Honda, General Motors, Chrysler, Mitsubishi)

If a Supplier is unwilling or unable to become ISO / IATF certified, and our customer will not grant us approval to use the Supplier under deviation, CURT Manufacturing will resource that business to a qualified Supplier.

1.4 ADVANCED PRODUCT QUALITY PLANNING (APQP)

Suppliers will be expected to participate in the CURT Manufacturing Advanced Product Quality Planning (APQP) process. (Reference the latest revisions of the AIAG Advanced Product Quality Planning and Control Plan Manual Second Edition).

In order to better communicate needs and concerns, a preliminary conference may be required at a CURT site. These conferences may also be held at the supplier location or via conference call. CURT Purchasing, Engineering or Quality will arrange for such preliminary conferences.

Typical conference topics can include, but are not limited to:

- Identification of significant product / process characteristic(s)
- Product Design
- Preliminary control plan
- Packaging / labeling requirements
- Measurement system
- Enhancements to product

1.4.1 Process Failure Mode and Effect Analysis (PFMEA)

A complete and detailed PFMEA must be created if required. Copies are to be available upon request. The PFMEA is to be revised any time a process changes or when a new failure mode has been discovered. **CURT Manufacturing** must be notified of any changes

1.4.2 Control Plan

A control plan may be required for products supplied. If required, it must be submitted to CURT Supplier Quality with the product PPAP package. A control

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plan review prior to PPAP may be requested by Purchasing, Engineering or Quality. All Significant Characteristics (SC) must be included on the control plan.

1.5 GAUGES

1.5.1 Gauge Control

Provisions for gauges and testing devices (including tooling such as jigs, fixtures, templates and patterns used as a media for quality control) are the responsibility of the supplier unless otherwise negotiated.

1.5.2 Gauge Repeatability and Reproducibility (R&R)

Gauge R & R shall be performed on all gages or test devices used to measure product conformance for all OES related product.

- If total Gauge R&R % is less than 10%, gauge method is acceptable for measuring parts and producing capability data.
- If a gauge or test device displays more than 10%, but less than 30% total R&R, the method must be approved by CURT prior to PPAP approval.
- A gauge or test device with more than 30% total R&R is deemed unacceptable and cannot be used to reliably measure product.
- NDC must be greater than 5
- For requirements not listed above see appropriate AIAG Manual.

1.6 STATISTICAL PROCESS CONTROL

1.6.1 Preliminary Process Capability

Capability Studies (30 pc DTR) are performed at time of PPAP. (Reference PPAP checklist). This will include all dimensions identified as significant characteristics (SCs), as shown on CURT drawings, or as determined by preliminary conferences, or those specifications that the supplier has identified as SCs.

- The minimum requirement, for OES products, for ongoing control is: $SC = Cp/Cpk \geq 1.33$
- CURT will define the sample size. Customer specific requirements may require larger sample sizes.
- Processes for SCs not meeting this capability may require 100% Inspection.
- If process capability falls below the minimum requirements, a detailed action plan is to be submitted to CURT Supplier Quality. The action plan shall include short term corrective action in addition to plans to achieve the requirement.

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1.7 PRODUCTION PART APPROVAL PROCESS (PPAP)

Sample submission must be in accordance with CURT defined submission requirements, typically, level III, any additional requirements will be defined by CURT Supplier Quality.

1.7.1 Preparation of Production Samples

Each sample containing a minimum process cycle as defined by a CURT Quality Assurance Representative.

Each sample sent should be identified with:

Date, Item Number, Inspected by, Attn., Description, Supplier Name, Reason for Sample, and Sample # / Sample Qty (example: 2 of 10)

1.7.2 Regulatory Compliance

Regulatory compliance; all purchased products or materials used in part manufacture shall satisfy all current regulatory requirements applicable to the country of manufacture and sale such as environmental, electrical, electromagnetic and safety. We have contracted Assent Compliance to collect information regarding regulatory requirements. As our supplier you are responsible for providing information to Assent Compliance when you receive requests from them.

It is the Suppliers responsibility to provide SDS Sheets when requested

*** All purchased materials used in part manufacture must conform to all governmental, international, safety and environmental regulations as they apply.**

1.7.3 IMDS Reporting (International Material Data System)

Compliance to IMDS is required, unless otherwise specified by CURT Manufacturing. If required for OE product, IMDS reports are required and must be completed prior to any new PPAP submission. PPAP submissions will be rejected if the IMDS reports are not completed.

1.7.4 Process Changes

Process changes **MUST** be preapproved prior to any change. Supplier must contact CURT Purchasing to gain approval prior to making any changes. These requests need to be in writing and gain written approval from CURT Purchasing.

- CURT Purchasing may request an action plan (time line, additional tooling, inventory banks, special lot identification, etc.) to assure that supply is protected.
- All approved process changes will require a new PPAP Submission as defined by CURT Quality.

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1.8 PRODUCT QUALITY CRITERIA

The supplier is responsible for all expenses incurred due to shipment of non-conforming product. (Refer to section 1.11)

1.8.1 Inspection / Testing of Lots

Prior to shipment, the supplier is responsible for performance of all required inspection and testing of product to substantiate conformance to drawing, specification and contract requirements.

Certificate of Conformance (C of C) or Certificate of Analysis (C of A) must be provided upon request.

1.8.2 Supplier Product Launch Containment Process

SUPPLIER RESPONSIBILITY: The Supplier shall do the following:

- A. Establish a verification process that contains the following elements:
1. Identification of the staff person responsible for ensuring the development and implementation of the verification process.
 2. Development of a Pre-Launch Control Plan consisting of additional controls, inspection audits, and testing to identify non-conformances during the production process. Depending on the dominant factor of the production process (set-up, machinery, fixture, tooling, operator, material/components, preventative maintenance, climate) additional controls may include:
 - Off-line, separate and independent check from the normal production process whenever possible
 - Mandatory 100% inspection for all pre-production and pilot parts shipped
 - 100% inspection of first production shipment
 - Increased frequency/sample size of receiving, process and/or shipping inspections after pre-production and pilot
 - Mandated sub-supplier containment and or sub-supplier support/audits
 - Addition of inspection/control items
 - Increased verification of label accuracy
 - Enhanced process controls such as error proofing
 3. Data to be saved at the supplier and can be audited at any time by CURT personnel.

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4. Immediate implementation of containment and irreversible corrective action when non-conformances are discovered.

1.8.3 Material Traceability System

If required, the supplier must ensure the parts will meet both the procedural and material requirements on an ongoing basis:

- Traceable Production Lots
- Date Produced
- Part number

1.9 PRODUCT PACKAGING, LABELING and SHIPPING

1.9.1 Packaging

All part quotations are to assume expendable packaging.

Containers designed to allow handling by hand shall not exceed 40 pounds (18kg) maximum weight, even if palletized.

Unique packaging requirements dictated by a part (e.g. excessive part oiliness, rust prevention, weight or fragility) should be specified in the quote and all other appropriate documents. Where supplier deems appropriate, returnables should be quoted.

All cartons of a specific part number are to be shipped on the same pallet(s), unless doing so causes quality, damage or safety concerns; or, if small quantities allow room for additional cartons of another part number. Pallets of mixed parts must be identified as such.

Suitable reinforced tape or spot gluing are the only acceptable methods for carton closure. Staples are acceptable for bottom construction only, with prior approval.

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1.9.2 Pallets

Policy regarding all product shipped on pallets. We prefer all suppliers to use the following pallets when shipping to CURT Manufacturing:

45" x 48"- 4 way pallets
6 top boards and 3 bottom boards
Maximum weight – 2469 lbs.
Print available

30" x 32"- 2 way pallets
6 top boards and 3 bottom boards
Maximum weight – 2838 lbs.
Print available

Pallet Specifications: ¾" wing –4 sides
Nails/ no staples
4-way entry

Note: The only exceptions to this requirement are shipments that require a higher weight rated pallet or product is dimensionally too large. See weight restrictions above.

*** If CURT shipping point is International, the pallet must be heat treated per ISPM15 regulations.**

1.10 PURCHASING

It is our belief that one of the important keys for a successful supplier-customer relationship is effective communication. This manual is to provide our suppliers and potential supplier's information of CURT standards and expectations for a successful supplier-customer relationship.

Supplier **communications** must go through one of the following; purchasing, SQE, engineering; (engineering requests, quality issues, delivery issues, accounts payable, etc.) The supplier's purchasing contact must be copied on all documentation. Undocumented issues that incur costs will be the supplier's responsibility.

All suppliers are expected to give terms of at minimum Net 45 days. For domestic suppliers Net 45 days is from time of delivery. For International suppliers Net 45 days is from time of product delivery to the forwarder.

All suppliers are expected to use the RFQ form supplied by CURT Manufacturing when quoting or repricing any new product.

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1.10.1 Supplier Selection

Supplier selection describes the methods used to select and evaluate suppliers who will potentially provide raw materials, finished goods & services to CURT Manufacturing. This applies to all potential suppliers who provide finished goods, raw materials, components and services used in the manufacture and delivery of the company end products.

1.10.2 Definitions

Approved Supplier List - Document listing suppliers who have been approved to supply products for the manufacturing and sale of end products.

Supplier Assessment Form - Document to evaluate suppliers which have a direct impact on product quality.

Supplier Performance - Internal system used to evaluate suppliers on Quality and Delivery.

Supplier Profile - Document completed when evaluating a new Supplier which includes Cross Functional Team (CFT) signoff allowing Purchasing to add a Supplier to the Approved Source List (ASL)

1.10.3 Procedure

The following forms need to be completed by a supplier looking to supply CURT Manufacturing:

- NDA
- Supplier Profile
- Self-Assessment
- Signed Supplier Manual Acknowledgement
- ISO9001:20015/ IATF16949 Certification

Using the Criteria in 1.10.3 information is gathered on a potential supplier and reviewed by the CFT.

The “Supplier On-Site Audit” form is used to evaluate potential suppliers when needed. This will be completed on-site at the Supplier’s facility.

The CFT meets to review assessment and approves or rejects the Supplier Profile.

If the Profile is approved and signed, the Supplier is approved. The Supplier needs to then fill out the New Vendor setup form, and Wire Repetitive form, and these forms need to be sent to CURT MFG accounts payable. Once the supplier is entered into our ERP system, Accounts Payable will respond back with a supplier number. Once the supplier number is received purchase orders can now be cut.

Once approved the supplier is added to the approved supplier list. If rejected, the Supplier cannot be used until further determination.

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1.10.4 Supplier Monitoring

CURT Manufacturing expects 100% on time delivery performance, and defect free product from all approved suppliers.

Supplier Monitoring Criteria:

Quality - Quality performance is 50% of your overall score.

This rating is based on the quantity of corrective actions that have been issued during the reporting period.

Delivery – Delivery is 50% of your overall score.

We rate: On-time delivery - The delivery rating is a comparison of shipments made on time to shipments not made on time.

- One hundred percent on time delivery is expected.
- All cost incurred due to late delivery (e.g., plant and/or line or machine down time, and /or excess freight) is the responsibility of the supplier.
- CURT reserves the right to refuse or return, without prior authorization, product which exceeds the total purchase quantity. Exceptions to this rule are standard package quantities, and/or quoted minimum release quantities or written approval from Purchasing.
- CURT Purchasing must be immediately notified if you have any deviation or change to CURT acknowledged requirements.

CURT Customer Disruption Occurrences

1.10.5 Supplier Monitoring Schedule

Active suppliers are reviewed quarterly for Class “A”, bi-annually for Class B”, and annually for class “C”.

Class is determined by finished product type:

A = OE Hitch

B = OE Electrical

C = all others

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1.11 CORRECTIVE ACTION

Corrective action can be initiated when the following conditions exist:

- Defective material received from suppliers
- Dimensional or performance characteristics are out of tolerance
- Customer complaints and/or warranty claims
- Supplier delivers product late to acknowledged delivery date
- Supplier Scorecard performance falls below acceptable level

The appropriate CURT Manufacturing Quality Engineer initiates the corrective action. The Corrective Action will be assigned to the Supplier. The Quality Engineer will include the Supplier and Buyer in all communications, when corrective action is sent.

Pertinent information describing the problem is recorded within the corrective action form and the form is sent to Supplier. Follow up items include:

- Containment of all suspect product is required within 48 hours. The Supplier will contain / verify all product in their facility and in transit. The Quality Engineer will contain all product at CURT Manufacturing.
- CURT may require immediate replacement stock of all suspect material. The Supplier may need to certify product until a root cause is determined and corrective action is completed. Special witness marks may be required to verify certification. The CURT Manufacturing Quality Engineer will determine the need for certification.
- If the product requires sorting, rework, or replacement, the Supplier has the option to return the product, or scrap the product at CURT Manufacturing. Immediate replacement and return of the product with certified stock is CURT Manufacturing's preference. CURT Manufacturing Quality Engineer shall approve the plan before implementation and review all inspection results. When these options are not feasible in a timely manner, CURT Manufacturing may direct the rework at the expense of the Supplier. If CURT Manufacturing is directing the issue, there may be penalties assessed for the raw material costs, labor (rework costs, re-inspection, or material handling costs) and administrative fees (Corrective Action Report charges, invoice handling, expedite fees). The minimum charge is \$250, and the hourly labor rate is \$25/hr. The total of these costs will be deducted from the next payment owed, if other arrangements are not made. CURT Manufacturing reserves the right to expedite this process when the parts are critical to continue production, or supply chain.
- The Quality Engineer will follow up to verify containment status and interim actions. The Quality Engineer will document status within the CAR form at the meeting. A "clean point" should be determined at this time.

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Corrective Action completion is expected in 10 business days. The Quality Engineer will call a follow up near the 10th business day to verify permanent corrective action is in place.

If CAR is not completed in approximately 10 business days the Quality Engineer will define the next steps. The Supplier may be called into CURT Manufacturing to present their corrective action or CURT Manufacturing may complete CAR follow up at Supplier's site.

CURT Manufacturing or designee will conduct an audit of all completed corrective actions to assure the actions taken are effective. When complete the corrective action can be "closed".

1.12 MINORITY SOURCING AND BUSINESS DEVELOPMENT POLICY

It is our corporate policy to maintain a proactive Minority Sourcing and Business Development program. Our goal is to use certified Minority Business Enterprises (MBEs) where it provides value.

If your company is an acknowledged Minority Business Enterprises, please forward your certificate to CURT's Purchasing Department. We will maintain a list of approved MBEs which we will have quote both new opportunities and existing business.

CURT Manufacturing strongly encourages our suppliers to have their own Minority Sourcing and Business Development Program.

1.13 SUPPLIER ENVIRONMENTAL EXPECTATIONS

We expect our suppliers to have a good Environmental Management System. We want our suppliers to recognize the benefits to the environment, opportunity for cost savings through elimination of waste and its importance to your future status as a supplier.

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1.14 ACKNOWLEDGEMENT AND SIGN OFF

An email will be sent out to all suppliers when revisions are made. It will be sent return receipt to insure all suppliers have received the updates. Your signatures as well as revision return receipts will signify you are:

1. In receipt of the manual;
2. Responsibility for destroying previous issues;
3. You agree to follow requirements; and
4. In the event you do not agree with our requirements we need a letter of disagreement sent to the CURT Purchasing contact.

Title

Name (Printed)

Name (Signature)

Date

Exceptions: (Please note, in detail, all exceptions below)

Revision History		
Revision Level	Revision Date	Description
		Initial Release
A	07/21/2014	New Document
A	04/21/2020	New Revision created
C	06/25/2020	Corrected Supplier Monitoring Schedule/ Added Supplier Class
D	08/06/2020	Removed Password
E	03/05/2021	Updated sections 1.10.4 and 1.7.2
F	06/07/2021	Added Revision Page