



**Dakkota Integrated Systems**  
**Customer Specific Requirements**  
For Use in Conjunction with IATF 16949:2016

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## 0 Introduction

### 0.1 General

Dakkota's supplier relationships are crucial to our mutual success. Recognizing the integral role that each supplier has in this value chain, it is our intent to establish strategic, long-term relationships to bring lasting value and benefit. Continued success will rely on effective communication with our suppliers to meet or exceed our expectations, as well as our customers' expectations. These guidelines have been created to assist our suppliers in understanding the purchasing expectations and requirements for products supplied to Dakkota Integrated Systems, LLC.

The relationship between Dakkota and its suppliers shall be managed to the highest degree of honesty, integrity, and professionalism. Our intention is to operate fairly and make decisions based solely on overall value to Dakkota. We will not allow any inappropriate influence to compromise or sway our decisions. It is expected that this commitment also be made to your suppliers and through the supply chain.

The purpose of these requirements is to communicate Dakkota's requirements and expectations to suppliers. It is the intent of Dakkota to do business with suppliers who can provide production parts, materials, and services consistently to specifications at a competitive price, and in accordance with the defined delivery schedule. The requirements are intended to assist suppliers in their understanding regarding doing business with Dakkota.

The requirements laid out are a minimum to doing business with Dakkota. It is your responsibility to understand these requirements and any additional requirements communicated to you.

ISO 9001:2015, IATF 16949:2016, and this document define Dakkota's fundamental quality system requirements for organizations where automotive customer-specified parts for production and/or service are manufactured. Third-party certification to IATF 16949:2016 must meet the following conditions:

- The certification scope must include both IATF 16949 and the accompanying IATF 16949 Dakkota Customer Specific Requirements,
- The certification must be conducted in compliance with the IATF recognized automotive certification scheme by a certification body currently contracted and recognized by the IATF.

All IATF 16949:2016 requirements, including the requirements of this document, shall be addressed in the organization's quality management system. The English language version of IATF 16949:2016 or related reference documents shall be the official version for purposes of third-party registration.

This manual will occasionally require revisions as requirements, expectations, and systems change. It is the suppliers' responsibility to ensure they have the latest released edition. Suppliers will be able to access the most current edition at the Dakkota website:

<https://sw.dakkota.com/SupplyWeb/SupplierDocuments/04A-F006-Dakkota-Supplier-Requirements.pdf>

It is the suppliers' responsibility to contact the appropriate Dakkota personnel with any questions regarding the requirements contained within these Dakkota Customer Specific Requirements.

## Vision

It is the vision of Dakota Integrated Systems that our suppliers shall collaborate with Dakota and maintain an open and honest communication as we strive to work together for mutual success.

## 1 Scope

### 1.1 Scope – general

These requirements apply to all Dakota suppliers of production material, products, and services. Acceptance of any and/or all purchase orders constitutes acceptance and commitment on behalf of the recipient to comply with these requirements. These requirements are provided as a supplement to, and do not replace or alter, any purchase agreement or the general purchase conditions or requirements included in applicable engineering drawings, specifications, and other contractual documents. If an OEM three-way agreement conflicts with these requirements, the OEM agreement shall supersede these requirements, except when Dakota specific requirements are more stringent or are in addition to the OEM requirements.

## 3 Terms and definitions

### 3.1 Terms and definitions for the automotive industry

#### *AAR*

Appearance Approval Report.

#### *AIAG*

The Automotive Industry Action Group located in Southfield, Michigan.

#### *APQP (Process)*

The required tasks and documentation as defined in section 7.1 Planning of Product Realization to ensure successful launch of product at required quality standards.

#### *ASN*

Advance Shipping Notice.

#### *Capacity verification*

A verification methodology to demonstrate that a supplier can meet the capacity planning volume requirements as defined in the purchasing Request for Quote (RFQ).

#### *CMRT*

Conflict Minerals Reporting Template

#### *Conflict minerals*

Minerals mined in an area of armed conflict and traded illicitly to finance the fighting, particularly the Democratic Republic of Congo (DRC).

#### *Cpk*

A measure of the capability of a process to provide output that is within the process specification limits.

#### *CQI*

"Continuous Quality Improvement". A group of standards published by the AIAG.

#### *CS1/CS2*

Controlled Shipping level.

#### *CSR*

Customer Specific Requirements.

#### *Cum*

Cumulative quantity (pronounced KYOOM).

**ECR**

Engineering Change Request.

**DMN**

Defective Material Notice, Dakota's notification of an official non-delivery nonconformance.

**DPR**

Delivery Performance Review, Dakota's notification of an official delivery nonconformance.

**EDI**

Electronic Data Interchange or Electronic Data Interface.

**Family parts**

These are groups of parts processed on the same production line, using the same control plan, PFMEA and process equipment. The parts differ only in end item value. PPAP for the family is approved for using the extreme values to the family specification to define the family boundary.

**FMEA**

Failure Mode and Effects Analysis.

**FOB**

Freight On Board.

**FTQ**

First Time Quality, defined as a measure of the number of pieces rejected in a manufacturing process versus the total number of pieces attempted. First Time Quality can be measured at any step in the manufacturing process where parts are rejected. First Time Quality is reported in parts per million (PPM) defective.

**GR&R**

Gage Repeatability and Reproducibility study.

**IMDS**

International Material Data System, the cloud-based system used to submit reportable substances.

**JIT**

Just-in-time.

**LTA**

Long Term Agreement.

**Material**

Any item purchased from a supplier that becomes a part of a product and sold to a customer.

**MP&L**

Material Planning and Logistics.

**MPA**

Multi-Party Agreement.

**MSA**

Measurement Systems Analysis.

**NAFTA**

North Atlantic Free Trade Agreement

**NMFC**

National Motor Freight Classification

**OEM**

Original Equipment Manufacturer (OEM), intended to be the end item user of the customer.

**PDP**

Dakota's Product Development Process.

*PPAP*

Production Part Approval Process.

*Ppk*

A capability index of process performance which tells how well a system is meeting specifications. Ppk calculations use actual sigma (sigma of the individuals) and shows how the system is actually running when compared to the specifications.

*PPM*

Parts Per Million.

*RFQ*

Request for Quote

*Shall*

The word "shall" indicates a mandatory requirement.

*Should*

The word "should" indicates a recommendation.

*SOW*

Statement of Work.

*SPC*

Statistical Process Control.

*Sub-supplier*

Providers of production materials, production or service parts, assemblies, heat-treating, welding, painting, plating, or other finishing services directly to a Dakota supplier.

*Supplier*

Providers of production materials, production or service parts, assemblies, heat-treating, welding, painting, plating, or other finishing services directly to Dakota.

*SupplyWEB*

Dakota's online supplier portal.

*USMCA*

United States-Mexico-Canada Agreement

## 5 Leadership

### 5.1.1.3 *Process owners*

Products/processes that are jointly developed between Dakota and its suppliers will be considered to have co-ownership and be royalty-free unless otherwise negotiated and agreed upon in writing.

## 6 Planning

### 6.1

#### 6.1.2

##### 6.1.2.3 *Contingency plan*

Suppliers will be accountable for all costs associated with any interruption in material supply due to issues such as, but not limited to, utility disruptions, labor disruptions, and/or equipment failures that result in a shutdown at Dakota. Suppliers must maintain an effective contingency plan to mitigate undue risk to Dakota and reasonably protect the procuring division from disruption of supply in the event of an emergency.

## 7 Support

### 7.1.3 Infrastructure

#### 7.1.3.1 *Plant, facility, and equipment planning*

As a condition of business, all suppliers/sub-contractors must be prepared, on request, to provide information required to substantiate the capacity to provide the necessary products, commodities, and services. This shall include, but is not limited to, technical capability systems/procedures to evaluate key product characteristics, price structure, and financial information. In addition, the supplier must be prepared to provide proactive initiatives such as cost reduction proposals and recycling programs to the Dakota.

### 7.5 Documented information

#### 7.5.1 General

All suppliers of production material, products, or services must provide the following documentation to Dakota Purchasing:

- Supplier profile  
Suppliers are required to provide updated contact information within three business days of changes.
- Diversity certificates (Woman, Diversity, or Veteran-Owned companies), as applicable  
Suppliers are responsible for providing updated copies of Diversity certificates as information changes.
- Liability insurance  
A current certificate must be provided for any suppliers who will be performing services onsite (even if it is at the supplier's expense, such as sorting).
- Packaging form  
To be provided and approved by Dakota MP&L, for each part, prior to start of production.
- Sample part label  
Upon request, to be provided and approved by Dakota MP&L, for each part, prior to start of production.
- Conflict minerals  
To be provided to Quality for approval at [conflict.minerals@dakota.com](mailto:conflict.minerals@dakota.com). Failure to provide will result in a formal customer dissatisfaction debit and/or formal corrective action request.
- Miscellaneous Documents  
As industry requirements change (i.e.: working conditions, etc.).

##### 7.5.1.1 *Quality management system documentation*

Suppliers are responsible for providing updated registration certificates to ISO 9001:2015, ISO 14001:2015, and/or IATF 16949:2016 as information changes.

Additionally, the supplier is to notify Dakota within 24 hours of any change in registration status. (See 8.4.2.3.)

## 8 Operation

### 8.2 Requirements for products and services

#### 8.2.1 Customer communication

##### 8.2.1.1 *Supplemental*

Suppliers must be EDI (Electronic Data Interchange) capable.

All material, purchased components, assemblies and associated services will be ordered by issuance of an individual purchase order or blanket purchase order. Suppliers will be issued production material requirements weekly at a minimum, or as need dictates. Schedules will be communicated through a variety of options including SupplyWEB, email, or electronic data interchange (EDI). Each Dakota division will dictate the method of communication.

It is the supplier's responsibility to contact the material planner or appropriate divisional contact if a weekly release was not received or if the supplier is unable to meet all shipping and quality requirements.

#### 8.2.2 Determining the requirements for products and services

In addition to technical requirements, the supplier is to provide the following documentation for consideration prior to business award:

- Manufacturing facility status as union/non-union. Suppliers shall identify each union affiliation and the respective contract expiration date(s),
- Documentation certifying the facility as a certified minority location (if applicable), and
- Applicable ISO 9000, IATF 16949, and/or ISO 14001 facility registrations.

#### 8.2.3 Review of the requirements for products and services

##### 8.2.3.1

##### A. Program requirements

Prior to program launch, the supplier will receive applicable program documentation. This may be in the form of a statement of work (SOW), request for quote, drawings/math data, etc. The requirements outlined are consistent with the OEM expectations of Dakota and reflect a cascading of these expectations to Tier II suppliers.

##### B. Product/program changes

Dakota will not accept cost increases due to process-oriented developmental changes that are necessary to meet the design requirement. The supplier will be reimbursed only for approved costs associated with product/program changes mandated by Dakota or the applicable OEM. If Dakota initiates product/program changes that result in reduced production tooling or manufacturing costs, Dakota will expect piece price or tooling costs to be reduced to reflect the entire amount of the reduction.

##### 8.2.3.1.1 *Supplemental*

##### A. Purchase orders

The extent of the purchase contract and order of precedence shall be:

- Compliance with all relevant local, provincial, state, and federal government legislation with special emphasis on hazardous waste and other environmental requirements,
- The purchase order terms and conditions,
- Requirements as stated in these Customer Specific Requirements,



- Letter of intent, then
- Statement of requirements.

All suppliers/sub-contractors must provide Country of Origin Certification and other documentation required under the United States–Mexico–Canada Agreement (USMCA). All customs requirements must be met in a timely manner to ensure efficient transportation of goods.

Suppliers/sub-contractors are expected to sign up to a long-term agreement (LTA), productivity program, or other type of cost-savings agreement. This LTA is to provide cost savings through, but not limited to, raw material price decreases, value analysis, and/or productivity improvements.

Suppliers must utilize appropriate Advanced Product Quality Planning techniques as identified in the AIAG Advance Product Quality Planning and Control Plan reference manuals or similar techniques.

### B. Compliance of business and purchase orders

#### a. Purchase order/letter of intent

Dakota will issue purchase orders to suppliers for awarded programs. In advance of receipt of purchase orders, suppliers to Dakota may receive a letter of intent from the Purchasing Department providing the following information pertaining to supplier conditions, requirements, and responsibilities:

- Design, development, prototype, and production source award,
- Pricing,
- Packaging (expendable and returnable),
- Tooling design and timing,
- Freight and customs,
- Pre-production activity,
- Cost reduction, and
- Currency.

It is the intent of Dakota that the supplier will be the product supplier for the life of the program, provided the supplier meets commercial, design, program support, quality, and delivery requirements. When Dakota and/or OEM-dictated program changes necessitate adjustments to the purchase order, the supplier will be required to quote and substantiate such adjustments.

The supplier will be required to conform to Dakota's and/or OEM's tooling documentation and audit requirements. Dakota reserves the right to audit tool costs incurred by the supplier in support of awarded programs. Such an audit may include, but not be limited to, a review of quotes, purchase orders, invoices, and other documentation.

#### b. Quotation response requirements

When Dakota is considering a product or program change, an RFQ (Request for Quote) will be generated and forwarded to the supplier. Suppliers are expected to respond by the due date identified in the RFQ, with documentation as defined by the Dakota initiator. RFQ response may be taken into consideration for business award. Failure to

meet response expectations may result in new business hold or removal from Dakota's Approved Supplier List.

c. Cost data

Suppliers are expected to share detailed cost data with Dakota. Suppliers are also expected to use a fair and consistent method of applying the profit factor and distribution of overhead expenses in support of Dakota requirements, consistent with goals of long-term financial viability. Suppliers must be willing to extend the benefits of cost reduction efforts with Dakota.

### 8.2.3.1.3 Organization manufacturing feasibility

It is expected that a target for compliance of zero discrepancies be set for all goods and services supplied to Dakota.

#### Manufacturing process

If the supplier's manufacturing process assumptions are based on new technology or on processes that are new to the supplier, the supplier must document how and when the processes will be proven out in a pre-launch program prior to production launch. The pre-launch program must provide for the manufacture of a sufficient quantity of parts so that the program production launch curve is based on the experience of the pre-launch program rather than unproven assumptions. The number of parts considered to be sufficient will be determined on a case-by-case basis by Dakota Quality.

If a pre-launch program cannot be proven out in a timely manner, the supplier must provide a detailed back-up manufacturing plan based on proven processes that shall implemented in the event problems are encountered during the launch of the new technology or processes that may impact supply to Dakota.

Regardless of process assumptions, the supplier must submit regular launch plan updates reflecting process assumptions, as well as key launch events, associated timing, progress to plan, etc. The due date for the first submission and timing for regular updates will be discussed at the APQP kick-off meeting.

### 8.2.4 Changes to requirements for products and services

#### Product obsolescence

Suppliers must submit obsolescence claims resulting from engineering changes within thirty (30) days of the change implementation date. Suppliers must use the Obsolescence Claim form provided by Dakota MP&L and submit via email to the appropriate Dakota material planner. Claims received outside of the 30-day window will not be processed.

For some OEM-directed parts, suppliers may be required to work directly with the OEM.

## 8.3 Design and development of products and services

### 8.3.2 Design and development planning

#### 8.3.2.1 Supplemental

##### Advanced product quality planning (APQP)

All suppliers are required to utilize the methodologies defined in the latest released editions of AIAG/VDA core tools manuals, including:

- Advanced Product Quality Planning and Control Plan (APQP),
- Failure Mode and Effects Analysis (FMEA Handbook),

- Statistical Process Control (SPC), and
- Measurement Systems Analysis (MSA).

These manuals are tools intended to assist the suppliers in meeting the requirements necessary to produce a world-class product.

It is the responsibility of each supplier to ensure that their subcontractors (tier 2 suppliers to Dakota) are meeting similar expectations and requirements.

### Advanced product quality planning kick-off

Based on Dakota's risk assessment, an APQP kick-off meeting may be scheduled upon business award. Personnel representing the supplier's Program Management and Quality Assurance teams shall participate to establish and outline APQP requirements, timetables, and contacts. Any immediate technical concerns will be addressed at this time.

The supplier is required to submit periodic launch plans reflecting process assumptions as well as key launch events, associated timing and progress to plan. The due date for the first submission will be discussed at the APQP kick-off.

### 8.3.3 Design and development inputs

#### A. Control of design records

All suppliers/subcontractors must have a documented system in place for monitoring receipt, control, and obsolescence of all Dakota-supplied design records. Suppliers will be responsible for the ability to read math data files in their native file format and can print files which include wire frame, GD&T, and notes (i.e., performance and material requirements). If translations are required, Dakota will provide these translation services.

Note: Confidentiality applies to all customer-supplied drawings, math data, media, and specifications.

#### B. Specifications noted on drawings and/or sketches, or any referred to within the body of those specifications, shall be obtained by the supplier/sub-contractor directly from the controlling authorities (i.e., ASTM, SAE, etc.).

All suppliers/sub-contractors must have a documented system in place for obtaining the latest released editions of required specifications. The system shall address annual verifications by suppliers/sub-contractors to the controlling authorities.

### 8.3.4 Design and development controls

#### 8.3.4.4 *Product approval process*

#### A. General sample submission requirements

Suppliers are to meet all requirements of the latest released edition of the AIAG Production Part Approval Process (PPAP) manual. This requirement extends to all commodities supplied by the supplier's subcontractors and tiered suppliers.

Regardless of submission level, all documentation defined in the AIAG PPAP manual and Dakota Customer Specific Requirements are to be on file and available for review upon request.

Suppliers are responsible for costs incurred by Dakkota resulting from late or incomplete submissions.

### B. Prototype

All submissions for prototype part approval must include the requirements specified for Level 2 submission unless otherwise instructed in writing.

#### a. Supplier prototype product requirements

The requirements noted below pertain to prototype submissions received from suppliers providing component parts during the Design Verification and Prototype builds. If for any reason the supplier cannot meet these requirements, they are required to notify Dakkota Supplier Quality in writing prior to shipment. The supplier is to use the appropriate program documentation to note discrepancies.

##### i. Prototype submission

The following documentation must be completed and provided with each shipment supplied for the prototype build:

1. Prototype control plan,
2. Pre-production sample report,
3. Drawings,
4. Dimensional results,
5. Sample parts, and
6. Proper identification including container labeling that indicates prototype status.

All documentation must reference the product number and the drawing date/level.

- ii. It is understood that prototype parts are generally intended for non-saleable vehicles and may not have an appearance approval. Nonetheless, suppliers are expected to meet all fit/function requirements as identified in the drawing/math data.
- iii. Prototype parts are subject to Dakkota's DMN and DPR processes.

### C. Production

All submissions for production part approval must include the required information as specified for a Level 3 submission, unless otherwise instructed in writing.

Production product submission status

#### a. FULL approval

Full approval indicates that ALL engineering design record and specification requirements have been satisfactorily met.

#### b. CONDITIONAL approval

Conditional approval MAY be granted under the following conditions:

- i. Product is from production tooling and meets all appearance, dimensional, and test specifications.

1. Exceptions/examples: document missing/incomplete, capability 1.0-1.67 (action plan required).
    - ii. Product is not from production tooling or production tooling is offsite, but product meets all customer requirements.
      1. Exceptions/examples: Production tooling not complete or offsite, low-volume tooling used, conveyors not in place, automation not complete (action plan required).
  - c. REJECTED  
Rejected status indicates that the product does not meet the required customer specifications process sign-off requirements
- D. Specific sample submission requirements  
PPAP submissions must be made in accordance with OEM-specific requirements. There might be occasions when additional requirements are requested by Dakota.

Part submission warrants must be filled out completely, indicating the finished part number(s) that are being submitted. Upon approval by Dakota Quality, parts within the same product family (i.e., multiple colors of the same product) and of the same revision level may be submitted on a single warrant. All part numbers must be listed on the warrant.

Unless otherwise instructed, six (6) sample parts per cavity will be required for tools consisting of 1-3 cavities; two (2) sample parts from each cavity is required for tools with four (4) or more cavities.

Dimensional layout data for each sample part must be provided for each drawing dimension and note. A ballooned reference drawing showing the relationship between the layout results and drawing specifications must accompany the layout report. Graphical math data plots are acceptable for profile dimensions. A sufficient number of inspection points to adequately define the surface are required. Prior approval of inspection points by Dakota Quality or Program Management is required.

Only PPAP-approved raw material sources may be used. Material certifications must include a copy of the OEM customer color and/or construction approval. Material certifications must indicate lot numbers and dates as certification that these approved materials were used in the manufacture of the submitted samples.

Laboratory testing, when applicable, must be conducted by an ISO 17025-accredited laboratory. A copy of the accreditation with scope of testing is to be included with the submission.

Appearance approval, when required, must be submitted via an Appearance Approval Report (AAR). The AAR is to be completed in its entirety. In most cases, the supplier must obtain an appearance approval directly from the end customer. Any deviation to this requirement must be approved in writing by Dakota Quality and/or Program Management.

Significant characteristics must demonstrate preliminary process potential and capability indices (Ppk) of 1.33 or greater. Long-term process potential and capability indices (Cpk) must be 1.67 or greater.

Sub-supplier CQI assessments must be submitted during initial PPAP and again annually to Dakota Corporate Quality.

Sub-suppliers must identify, communicate, and determine pass-through characteristics (PTC) which are not controlled or functionally tested anywhere downstream in the supply chain and would have a significant impact on the customers' (OEM) satisfaction and/or warranty. Pass-through characteristics should be identified and included as part of the supplier's quality systems documentation, e.g., procedures, work instructions, PFMEAs, and control plans.

E. Capacity verification

High-risk or High-impact suppliers are subject to onsite capacity verification by a Dakota representative.

All questions regarding PPAP submission should be directed to the appropriate Dakota quality engineer.

F. Reporting material composition – IMDS and conflict minerals

Restricted and reportable chemicals contained in the raw materials and parts used in the manufacture of supplied components must be reported based on the IMDS (International Material Data System) requirements. This form must be submitted with packages whether reportable chemicals are contained in components or not. The supplier is required to provide evidence that the material/substance composition reporting for each part has been completed and complies with requirements. Material is to be reported in the International Materials Data System (IMDS) unless another system or method is pre-approved by Dakota authorized personnel.

IMDS is available through <https://www.mdssystem.com/imdsnt/faces/login>.

The supplier is required to provide evidence of the Conflict Minerals Report (CMRT) on an annual basis. The submission is to be supplied on or before September 15th. Timing is mandatory for Dakota to meet the requirements of the OEMs. Failure to comply may result in administrative charges.

Suppliers are expected to use due diligence and ensure parts are DRC conflict-free (products that do not contain minerals that are directly or indirectly financed by or benefit armed groups in the Democratic Republic of Congo or an adjoining country). Note: The latest revision of the CMRT can be found through <https://www.responsiblemineralsinitiative.org/>.

Dakota Program Management/Supplier Quality may require a level 5 PPAP submission for products that have a high or medium initial risk evaluation.

For OEM-directed parts where the supplier submits PPAP directly to the OEM, the supplier shall provide Dakota a copy of the approved warrant.

Regardless of supplier quality status (i.e., Q1, ISO 9001, IATF 16949, etc.), the supplier shall submit a PPAP to Dakkota for approval for all Dakkota-sourced parts.

Any change to product, process, or manufacturing location (even within the same building) that occurs during the lifecycle of a part or system requires approval by Dakkota Purchasing prior to such change being implemented. Depending on the criticality of the change, the supplier may be required to build a bank from the current approved manufacturing process.

Additionally, Dakkota Supplier Quality will determine what PPAP submission level is required. It is the responsibility of the supplier to submit PPAP documentation for review and approval prior to shipping products to Dakkota.

NOTE: The change is NOT approved until the warrant is signed as approved by Dakkota

Failure to comply with these requirements may result in administrative fees.

### 8.4 Control of external provided processes, products and services

#### 8.4.1 General

##### 8.4.1.3 *Customer directed sources (aka "directed buy")*

In instances where sources are directed by Dakkota's customer for a specific part or commodity, the directed sources shall meet all requirements as specified in this document and may also undergo an assessment review.

Dakkota's specific requirements will supersede the OEM requirements if the Dakkota requirements are more stringent or are additional to the OEM requirements.

#### 8.4.2 Type and extent of control

##### 8.4.2.2 *Statutory and regulatory requirements*

Suppliers must provide Country of Origin Certification and other documentation required under the United States–Mexico–Canada Agreement (USMCA). All foreign suppliers must provide documentation required by United States Customs and Border Protection. All customs requirements must be met in a timely manner to ensure efficient transportation of goods.

##### 8.4.2.3 *Supplier quality management system development*

It is preferred by Dakkota that all production suppliers become registered to IATF 16949. However, at a minimum, suppliers are expected to be registered to the ISO 9001 standard. In either case, registration must be with an accredited certification body.

All Dakkota production suppliers must use Dakkota SupplyWEB, which is a web-based portal used to communicate supply chain information between Dakkota and our suppliers. Suppliers are required to maintain their designated email contacts, as the system utilizes those contacts for special notifications, including DMNs and DPRs. Failure to maintain these email contacts does not absolve the supplier of any associated charges, responsibilities, or supplier performance impact.

For more information regarding SupplyWEB, please contact Dakkota Purchasing or email [SupplyWEB@dakkota.com](mailto:SupplyWEB@dakkota.com).

### *8.4.2.4 Supplier monitoring*

Dakkota and its customers shall have access to Dakkota's supplier facilities and records at reasonable times for the purposes of audits, assessments, inspection of goods, and associated control systems.

Dakkota has established a system to monitor measure and report supplier performance in the areas of quality and delivery. The ratings are calculated monthly, broken down by each Dakkota division, and are available for suppliers to view at any time on SupplyWEB. Suppliers may also request rating details from Purchasing or Supplier Quality.

Divisional ratings may be consolidated to reflect an overall Dakkota supplier rating. Sourcing decisions will be based on supplier performance, establishing the need for suppliers to be aware of their standing and to resolve performance issues expeditiously.

Material forecasting information will be communicated to the supplier through weekly scheduled releases. While this information is an indication of future material requirements, it is not considered binding on the part of Dakkota unless supported by a specific purchase order.

The supplier must maintain the ability to always absorb a 15% volume increase.

Material authorization will typically include six weeks (combined finished goods, work in process, and raw material) and is determined by each individual Dakkota division. In any case, additional material lead times require specific approval from the using division's Purchasing and Materials departments.

The supplier is expected to maintain sufficient safety stock and finished goods inventory to accommodate 100% on-time delivery. Short shipments must be communicated immediately, along with a corrective action/recovery plan.

Suppliers who have been issued a blanket purchase order will typically receive weekly releases. However, some suppliers may receive daily releases, depending on the product type and/or volume.

The supplier is to ship quantities per the material release. Over-shipment is not allowed, except in the case of a cubing requirement specified on the Dakkota routing instructions. Unauthorized over-shipments may be returned at the supplier's expense. Any deviations from the official material release must be approved in writing by the material planner. Excess transportation charges resulting from unauthorized multiple shipments, past due requirements, and/or unauthorized truck lines will be debited in full to the supplier.

Suppliers who are unable to meet all delivery requirements including date, time, quantity, and quality must notify the materials representative immediately. Note that this communication does not absolve the supplier of any related costs and penalties associated with being past due or shipping defective material.

If a shipment is missed or is incomplete, an expedited carrier must be set up at the supplier's expense.

### *8.4.2.5 Supplier development*

Suppliers may request assistance from Dakkota for input to process improvements, SupplyWEB training, quality documentation, capacity analysis, problem-solving, etc.



If a supplier's performance rating is trending below average or is deemed unacceptable, the Dakkota Supplier Quality manager may also engage the supplier in supplier development. Suppliers who fail to improve are subject to controlled shipping status and/or re-sourcing. (See 9.1.2.1 B.)

During supplier development, suppliers may be required to participate in conference calls and/or face-to-face meetings. Corrective actions may be monitored for compliance by Dakkota supplier quality and suppliers may be required to participate in training or other activities as appropriate.

Dakkota requires suppliers to implement corrective actions when performance levels are not met. Dakkota's actions may include, but are not limited to, cost recovery, on-site management reviews at the supplier's or the Dakkota division's facility, controlled shipping status, and/or new business hold. In extreme circumstances, Dakkota may notify the supplier's certification body of unacceptable performance and/or re-source the business.

### 8.5 Production and service provision

#### 8.5.1 Control of production and service provision

##### Duration of supply

The supplier must meet program commercial, design, support, quality, and delivery requirements to be selected as Dakkota's production source for awarded program component(s). The supplier must remain fully cost-competitive with qualified alternate suppliers throughout the life of the program.

Additionally, suppliers are required to provide service parts for a minimum of fifteen (15) years after the end of regular production.

##### *8.5.1.2 Standardized work—operator instructions and visual standards*

Gage operating instructions must be displayed at every inspection station that requires the use of a gage or other measuring/testing device. These instructions must describe the proper methodology for use in inspection. These instructions must also include a reference to the gage identification number and revision level and be approved by appropriate management. Whenever there is any change to the inspection procedure that affects the use of the gage or when any identification information is revised, the operating instructions must be updated to reflect the status.

##### *8.5.1.6 Management of production tooling and manufacturing, test, inspection tooling and equipment*

All gages, fixtures, measuring devices and test equipment, including employee-owned must be identified as follows:

- Unique identifier,
- Revision level (when applicable),
- The calibration date and the next calibration due date, and
- Name/initials of the person who performed the calibration.

Inspection equipment must be calibrated against NIST-traceable standards or by an ISO 17025-accredited laboratory. Records of calibration, verification, maintenance, and statistical analysis activities must be traceable to the part revision level demonstrating conformance to standards and corrective actions taken where applicable.

Records must include:

- Device identification number and change level (when applicable),
- Date of calibration/analysis and identification of the person performing the activity,
- Conditions and readings as received and prior to calibration,
- Calibration results and actions taken (i.e. replace, repair, etc.),
- Statement of ISO 17025 accreditation,
- Evidence of inclusion in the laboratory scope of accreditation,
- Gage R&R results, and
- Actions taken on products measured with out-of-calibration and/or non-capable equipment.

Dakota must be notified immediately if suspect or discrepant product has been shipped because of out-of-calibration gages, fixtures, or measuring and test equipment. Refer to IATF 16949:2016 clause 8.7.1.3.

### 8.5.2 Identification and traceability

#### A. Container labeling requirements

All materials for prototype or production consumption shipped to divisions of Dakota must be identified with labeling containing human-readable text / graphics, and machine-readable barcoded symbols.

##### a. Container label identification

Containers shall be identified with the following, as applicable:

- Container labels,
- Master labels,
- Mixed load labels, and
- Part labels when specified by design records, specifications, or other written requirements.

##### b. General requirements

- i. All labels must be legible and scannable to the AIAG standard and unobstructed from banding and other packaging materials.
- ii. Characters and symbols shall comply with the AIAG B-8 standard (Quality Assurance Guideline for Shipping Labels).
- iii. Part shipping labels (container, master, and mixed load) shall comply with the layout formats defined in the AIAG B-3 standard (Shipping/Part Identification Label Standard).
- iv. Label placement, orientation, quality, and quantities shall follow the guidelines contained in the AIAG B-10 standard (Trading Partner Labels Implementation Guide) unless otherwise specified by division specific requirements.
- v. Each container must have two (2) AIAG barcoded labels (formatted as described above). This also includes any items not in cartons such as rolls, bundles, drums, etc. The labels must be affixed to the upper right-hand corner of at least two adjacent sides. If the container is returnable, the supplier is to ensure that old labels are removed and replaced.
- vi. Labels shall include the following information:
  - Part number,
  - Revision level,

- Description (the description must exactly match the description on the purchase order and releases), and
  - Quantity (the quantity must be as per the standard unit of measure (UOM)).
- vii. Pre-production and/or trial material must be clearly identified with a brightly colored (non-white/off-white) 8.5" x 11" paper affixed to all four sides of the container. Paper shall list program name, purchase order number, description of non-production reason (pre-launch, pre-production, rework, production trial, etc.), and any other information defined by Dakota Materials.

c. Sample label

Not to scale - for illustrative purposes only.

SUPP (V)	SALINE PLASTICS PLANT	<b>PP03B</b>		<b>MASTER LABEL</b>
QTY (Q)	<b>560</b>	CONTAINER	SK32 C630L	[Barcode]
		GROSS WGT	440 LB	
		DATE	11NOV2003	
<b>3S4X-A045A74-AAZUYI</b>				
PART (P)	[Barcode]			
STR LOC 1	<b>2D33B75A-1</b>		LINE FEED LOC 2	
			<b>J11-232-4C</b>	
3S4X A045A74 AAZUYI			TO	DOCK CODE
2527 CNSL FRT LO MED DK GRAPH			FORD WAYNE ASSEMBLY	
SERIAL NO (M)	<b>0AAC2196</b>		CUST	<b>WD</b>
	[Barcode]		<b>AP16A</b>	
	WT2D EF452GH		ENG ALERT	A12345678

d. Label approvals

To ensure that labels can be scanned without issue, suppliers may obtain approval of any new label from Dakota Materials prior to implementation. A sample label may either be mailed or emailed (picture) to the Dakota material planner for approval.

NOTE: Shipments provided without labels that can be scanned are subject to an administrative fee and a negative impact to supplier scorecard.

B. Part barcode labels

When required that a barcode label be affixed to each part, such labels must be affixed in an area so as not to interfere with the part function or appearance. Exceptions to part labeling requirements are made for components that are restricted in size (i.e., fasteners). Contact the appropriate Dakota division material manager for requirements and exception details.

Part labels shall comply with the requirements defined in the AIAG B-4 standard (Parts Identification and Tracking Application Standard), unless otherwise specified by design records or Dakota division specific requirements.

Typical part barcode labels will include, at a minimum the following information:

- Part number,
- Part revision level, and
- Part description.

The supplier shall submit a sample label for each component that is to be barcoded to the applicable Dakota program manager for approval.

### 8.5.2.1 *Supplemental*

To ensure lot traceability, all material received by Dakota must contain a lot code or serial number clearly identified on each label and container to ensure full traceability of all material. Material must be traceable from receipt of raw material, through each processing stage, final assembly, and shipment to Dakota.

Upon request, the supplier shall provide to Dakota specific details regarding the traceability method used. In some cases, the component may be critical enough to warrant part identification. These instances will be communicated through the appropriate Dakota cross-functional team.

A lot should contain a specific quantity of parts and should not exceed eight hours or one day of production at a maximum. In the event of certain commodity-based material, methods such as dye lots or steel coil heat numbers will be acceptable.

Traceability records shall be maintained and accessible for the life of the product, including service, plus one year unless otherwise specified by the OEM. Failure to comply with traceability requirements may lead to rejection of material and issuance of a DMN.

### 8.5.3 *Property belonging to customers or external providers*

All equipment owned by Dakota or the OEM for measuring and test activities at the suppliers/sub-contractor's facility shall be monitored with respect to the latest product engineering change level for which each piece of equipment is used.

All tooling, inspection, and test fixtures owned by Dakota or an OEM are to be permanently marked with clear identification indicating ownership.

### 8.5.4 *Preservation*

#### 8.5.4.1 *Supplemental*

##### A. *Packaging suitability*

It is the supplier's responsibility to provide any product sold to Dakota in approved packaging as determined by Dakota's APQP/PDP process. The criteria necessary to determine suitability may include:

- Robustness to ensure integrity of product through delivery,
- Compliance with health and safety guidelines,
- Compliance to Dakota division operations requirements,
- Compliance to AIAG standard guidelines,
- Division approval, and

- All expendable packaging should be recyclable.
  - i. Supplier may not use staples but may use glue and/or tape.
  - ii. Packaging must be durable enough to support normal stacking to fully cube out a truck trailer, with a maximum height of 102 inches.

If the OEM requirements conflict with Dakkota Supplier Requirements, Dakkota's Supplier Requirements shall take precedence. Any deviations must be agreed to in writing by Dakkota purchasing.

### B. Initial packaging approval/change requests

Dakkota must approve all packaging prior to the first shipment. Approval is required for packaging type (i.e. returnable, expendable), container size, container quantity and pallet quantity. The supplier must submit a completed Dakkota packaging form (Dakkota form 05D-F012) to the applicable Dakkota industrial engineer/program manager for approval. Any changes or deviations from the approved packaging require written approval from Dakkota Purchasing/Industrial Engineering.

Packaging must be part of the supplier PPAP submission.

Suppliers are encouraged to confirm with the applicable Dakkota division any additional requirements such as:

- Container fill and identification for a balance-out or final release situation,
- Any special packaging requirements for import/export product, and
- Maximum weight for manually and mechanically handled goods.

All goods sold to Dakkota that are controlled with Material Safety Data Sheet (MSDS) or Workplace Hazardous Material Information Systems (WHMIS) must comply with applicable legislated regulations for packaging and shipping.

### C. Returnable containers

Returnable containers are the primary packaging method considered on new programs. On an individual basis, Dakkota may assess current production part packaging feasibility using returnable containers.

The supplier is responsible for maintaining the cleanliness of all returnable containers. This requirement includes the removal of all prior container labels.

The supplier shall be responsible for monitoring the maintenance status of the returnable dunnage. The supplier shall notify Dakkota when repairs are necessary.

Suppliers are responsible for having backup expendable packaging readily available in the event of returnable dunnage shortages. Expendable packaging must be approved by Dakkota, must adequately protect parts during transit, and shall mimic the approved returnable container size and pack density.

The supplier must monitor the dunnage levels to ensure there is sufficient dunnage for their production and delivery requirements. Any concerns must immediately be conveyed to the Dakkota division material manager and material planner.

Expendable dunnage will not be funded without prior written approval.

#### D. Pallets

Pallets are to meet the following specifications:

- Pallets are to be banded and/or stretch wrapped,
- Boxes must fit on pallet, without any overhang,
- Pallet height limit is 52", unless otherwise authorized,
- "DO NOT STACK" stickers must be affixed to two (2) adjacent sides (where applicable),
- Pallets must be 4-way entry,
- Like parts may be mixed on a skid only if less than a skid quantity of each part is required. Otherwise, all cartons for the same part number must be on the same skid(s),
- All mixed pallets must be pre-authorized by Dakkota materials and be clearly labeled as "MIXED SKID" on 2 adjacent sides,
- Parts should be palletized by program and by part number, and
- DO NOT mix RH/LH, FRONT/REAR, or different programs together on a pallet, unless otherwise authorized.

Pallet information must be included on the Dakkota packaging form 05D-F012.

#### E. Transportation

It is important that Dakkota's suppliers are aware of transportation and delivery requirements. It is Dakkota's expectation that suppliers will deliver 100% on-time to our locations, in compliance with schedules.

To support JIT delivery, the supplier may be asked to support local warehousing.

##### a. Schedules, routing, and carriers

Prior to start of production, suppliers will receive routing instructions including transportation method, pick up and delivery window times, location of pick up, and customs/brokerage information as required.

The supplier shall acknowledge these routing instructions and return to the Dakkota material planner and logistics. Failure to acknowledge these routing instructions does not waive the routing requirements. Any costs incurred because of missed or late shipments that are due to supplier issues are the responsibility of the supplier.

Periodically, Dakkota may need to revise the routing instructions. In these cases, a revised routing instruction will be provided to the supplier in advance of the change.

Any changes to carrier or delivery frequency not covered on the routing instructions must be approved in writing by the applicable Dakkota division Materials department unless shipment is at the supplier's expense.

All material entering from a foreign country must have the country of origin clearly marked on the pro forma invoice, as well as on the original commercial invoice. Brokerage fees for which Dakota is responsible will be indicated on the routing instructions. All fees and charges resulting from the export/return of defective products shall be the responsibility of the supplier.

b. Packing slip

It is required that all material shipped be identified on a packing slip or bill of lading. While individual division requirements may differ, the information typically required includes:

- Ship date,
- Invoice/packing slip number,
- Ship to and sold to addresses,
- Separate line item for each part number shipped to include:
  - i. Part number(s) and descriptions including engineering change level,
  - ii. Purchase order number for each part,
  - iii. Quantity ordered and quantity shipped,
- Number of skids/unit loads, tare and gross weight of shipment,
- Supplier code, and
- DAK##### freight number, which is provided weekly on the Dakota freight plan.

A copy of the packing slip must be firmly attached and placed on the rear most container loaded on the truck. The placement of the packing slip must be easily visible and secure.

Note: For international shipments, the packing slip must be emailed to the material planner at time of shipment.

The supplier is subject to receiving demerit points and charges for noncompliant and/or inaccurate packing slips.

c. Bill of lading

The bill of lading must include the following information:

- Total number of unit loads (skids/containers) shipped,
- Number of cartons per unit load and/or the number of loose cartons,
- Total weight (gross),
- DAK##### freight number, which is provided weekly on the Dakota freight plan, and
- Proper NMFC description, item number, and class.

Questions regarding the correct NMFC description, item number, or class should be directed to the designated carrier. Because this information affects freight rates, it is critical to ensure its accuracy.

d. Commercial invoice

All international shipments require a commercial invoice for customs. The commercial invoice must have the country of origin clearly marked on the invoice. Additionally, customs-specific forms such as USMCA must be provided to Dakkota in a timely manner.

All fees and charges resulting from the export/return of defective shall be the responsibility of the supplier.

e. Advance shipping notice (ASN)

The ASN must be sent within ½ hour of the shipment leaving the supplier's facility. ASNs may NOT be sent early.

In the event of a known shortage or late shipments, the supplier must immediately contact the appropriate Dakkota division and advise them of the shortage or late shipment. The supplier shall also indicate the anticipated time of delivery of the expedited material required to complete the original schedule.

f. Hazardous/non-hazardous chemical requirements and material certifications

Dakkota suppliers/sub-contractors considered to be "controlled" under W.H.M.I.S. (Workplace Hazardous Material Information Systems) must be familiar with and comply with all such regulations for packaging and shipping.

Material safety data sheets (MSDS) must accompany all initial shipments from all suppliers/sub-contractors and marked to the attention of the Environmental, Health and Safety coordinator.

Where required, material certifications are to be placed in a separate envelope and addressed to the using division's Materials department.

### 8.5.6 Control of changes

#### 8.5.6.1 Supplemental

A. Engineering changes

a. Dakkota and customer-initiated changes

All potential, proposed, and/or mandated engineering changes affecting purchased product, will be submitted to the supplier for impact and timing. These engineering changes/change request documents will be processed via Dakkota engineering change process. Documentation for approved engineering changes will be forwarded to the supplier for execution. All changes are required to be approved in accordance with PPAP requirements before production implementation.

The supplier is required to:

- Itemize applicable cost and timing in the required format,
- Manage and report all applicable engineering changes within their sub-tier supply base, and
- Submit samples of all executed changes in accordance with the Production Part Approval Process (PPAP) requirements prior to production implementation.



- b. Supplier-proposed engineering changes  
Supplier-proposed changes must be submitted for approval consideration to Dakota Purchasing and Program Management in accordance with the AIAG PPAP manual.

### B. Engineering change product identification

The first shipment of engineering change products is to be identified as directed by the applicable Dakota quality engineer or other authorized Dakota representative. Subsequent shipments may also require engineering change identification when deemed necessary by Dakota. Each container of engineering change product is to include this identification. Failure to properly identify engineering change materials may result in the issuance of a Defective Material Notice. Related DMN charges may apply.

## 8.6 Release of products and services

### 8.6.2 Layout inspection and functional testing

Functional testing includes annual validations of raw material conducted by an accredited ISO 17025 laboratory. A copy of the laboratory's certificate and scope of accreditation are to be included with this annual submission.

## 8.7 Control of nonconforming outputs

### 8.7.1

#### 8.7.1.2 *Control of nonconforming product—customer specified process*

Purchased components found to be nonconforming through line rejections, testing failures, failed inspection results, customer concerns, warranty, customer returns and/or obsolete material are handled through the following procedure:

- The supplier will be notified of the concern. All relevant containment actions will be established at this time.
- A Defective Material Notice (DMN) will be issued to the supplier. Incidents of nonconforming product will be reflected in the monthly supplier ratings.
- A corrective action report addressing the reported concern is to be submitted in the appropriate format (Global 8-D, 7-Step, Dakota divisional format, or other pre-approved format) within the following time frames:
  - Initial response describing immediate containment activities up to and including sort, rework, and shipment of certified material required within 24 hours.
  - A completed corrective action report including plans for preventive action is required within one week (7 calendar days) unless an extension is granted by Dakota Quality.
- Should a response not be received from a supplier, any stated charges associated with the notice will be considered accepted by the supplier.
- Root cause analysis addressing both occurrence and systemic failures must be included in the corrective action report.

DMN discrepancies must be communicated in writing to Dakota Quality within the first thirty (30) days of issue date. After 30 days, the cost associated with each DMN will stand as written. If agreement cannot be reached, the issue is to be escalated according to the SupplyWEB DMN training video, found at <https://sw.dakota.com/supplyweb/video/Supply%20Web%20Training%20-%20DMNs.mp4>.

It is the responsibility of the supplier to notify the affected Dakota division if nonconforming or suspect material might have been shipped. Notification must be followed by documented corrective action as previously described.

If the DMN requires part certification, each part/container must be identified according to Dakota Quality's direction.

Dakota reserves the right to send the appropriate Purchasing, Supplier Development, Materials and/or Quality representatives into the supplier/sub-contractor's production facility to establish 100% compliance and ensure that effective containment and corrective action are established. Dakota's customer may accompany the Dakota representative(s) if so requested.

## 9 Performance evaluation

### 9.1 Monitoring, measurement, analysis and evaluation

#### 9.1.1 General

##### 9.1.1.2 *Identification of statistical tools*

Evidence is required that appropriate statistical studies have been conducted to analyze the variation associated with each type of measuring and test equipment system. Analytical methods and acceptance criteria must conform to the latest released edition of the AIAG Measurement System Analysis (MSA) manual.

The supplier must have a documented system in place to control, calibrate, and maintain the proper function and accepted level of gage repeatability and reproducibility (GR&R) of all inspection fixtures, gages, measuring/testing instruments, and equipment.

#### 9.1.2 Customer satisfaction

##### A. Quality performance

Quality performance will be monitored by tracking defective parts per million (PPM) received and will make up 50% of the overall performance rating. Suppliers are expected to implement a process that prevents the shipment of defective material.

Dakota's expectation is that our suppliers maintain a PPM of 0. However, suppliers with repeated or severe quality issues, or those showing a negative trend, may be subject to supplier development and/or escalation.

Dakota's primary communication method for defective parts is by issuing DMNs (Defective Material Notifications) through SupplyWEB. It is the supplier's responsibility to maintain current and correct contact information/email addresses in SupplyWEB to ensure they are receiving notifications on a timely basis. Additional supplier charges may be issued when supplier contact information has not been updated.

##### B. Delivery performance

Delivery performance will make up 50% of the supplier's overall performance rating. Delivery performance will be monitored by tracking compliance to material releases and quantity accuracy. Any deviations to the releases must be approved, in writing, by the appropriate Dakota divisional Material representative.

Dakota's expectation is that our suppliers maintain 100% on-time delivery performance; however, suppliers with repeated or severe delivery issues, or those showing a negative trend, may be subject to supplier development and/or escalation. Performance includes documentation such as ASN's, packing slips, quantity accuracy, etc.

Dakota's primary communication method for delivery performance concerns is by issuing DPRs (Delivery Performance Review) through SupplyWEB. It is the supplier's responsibility to maintain current and correct contact information/email addresses in SupplyWEB to ensure they are receiving notifications on a timely basis.

Suppliers are expected to expedite shipments at their expense should they become past-due to normal scheduled requirements. Additionally, it is the supplier's responsibility to contact the Materials representative to advise them of these situations.

C. Downtime costs

Any downtime deemed to be the fault of the supplier will be charged to the supplier per the Dakota fee schedule. Questions regarding the fee schedule should be directed to the Dakota division Quality/Material contact.

D. Responsiveness

Responsiveness may be considered in the rating when a supplier fails to respond as required. For DMN's and DPR's, the supplier is expected to provide an initial response via SupplyWEB within 48 hours including weekends.

Permanent corrective action must be provided via SupplyWEB within 7 days. Failure to comply may result in additional administrative fees.

E. Supplier performance rating

Dakota's primary communication method for supplier ratings is through SupplyWEB.

It is the supplier's responsibility to review the performance reports and implement action plans as necessary to bring performance to an acceptable level. Should the supplier disagree with their score, they may contact the appropriate Materials and/or Quality representative.

When a supplier's performance is deemed unacceptable, Dakota may engage the supplier in supplier development activities. Suppliers with repeated or severe issues or a negative trend may be subject to supplier development and/or escalation.

### 9.1.2.1 *Supplemental*

A. Cums and material authorization

Cums must match to ensure the correct release of parts. Failure to comply may result in the issuance of DPR.

Unless otherwise specified, standard FAB (fabricated) authorization is 2 weeks, and RAW (raw material) authorization is 4 weeks. Exceptions to these authorizations require written approval by the appropriate Materials representative.

### B. Controlled shipping

When so directed, suppliers will be required to certify their products. Two types of controlled shipping actions are employed when this situation occurs:

- Supplier-conducted sort and certification of subsequent part shipments (CS1), or
- Third-party sort and certification (CS2).

The level of inspection (CS1 or CS2) will be determined based on the severity and occurrence of the concern.

Any supplier placed on controlled shipping status will be formally notified. Notification shall include concern details and exit criteria. Dakkota reserves the right to submit a performance complaint against the supplier to their ISO 9001/IATF 16949 certification body based on the issues leading to the special status of Controlled Shipping. The performance complaint process follows the ISO/IATF certificate decertification process.

On-site evaluation of the supplier's manufacturing, quality and/or containment activities may be performed as part of the sub-supplier escalation process.

OEM-Directed suppliers are held to the same quality standards and escalation processes, except when the OEM requirements are more stringent than the Dakkota requirements. Ongoing issues will be communicated and escalated to the OEM as needed.

- ### C.
- It is the supplier's responsibility to notify the Dakkota purchasing manager and supplier quality manager when they have been placed on special status such as special containment activities, new business hold, or revocation of any third-party certifications (such as ISO 9000, IATF 16949, and AS 9100), or customer-specific certifications (such as Ford Q1 or General Motors BIQ). This is required regardless of the customer who placed the supplier on special status.

A failure to notify Dakkota as required may result in additional administrative debits.

## 10 Improvement

### 10.2 Nonconformity and corrective action

#### 10.2.5 Warranty management systems

OEM's have stipulated that warranty costs will be shared with their supply base. As such, with respect to new and carryover programs, suppliers are required to participate in warranty activities regardless of commercial relationship.

When a supplier's component is clearly implicated in a warranty issue, all associated costs will be passed on to the supplier.



# Dakota Customer Specific Requirements

## Revision History

Revision	Section	Description	Date
Initial	All	Release into the BOS new format, DDID# 2015-205	8/26/2015
A	All	Updated Supplier Requirements- DDID# 2017-066	5/31/2017
B	11.1.5	Updated to include Cor. Supplier Quality Manager	8/22/2017
C	2.1, 3.15.1 7.0 13.1	Updated to IATF Transition, Supplier Performance criteria, packing slip sub supplier CQI	5/8/2018
D	2.2.7 13.4	Adding in specific requirements that must be met for Conflict Minerals.	10/30/2018
E	All	Annual review, no changes required	1/31/2022
F	All	Change title to "Dakota Customer Specific Requirements" Rewrite and reorganization of entire document to match IATF 16949:2016 formatting	7/1/2024