

JST FRANCE S.A.S. Author: C. MORICE Dept.: Quality	JST Specification	SPEC-GEN02 Revision: 4 Date: 04/11/2013 Page 1 of 21
	QUALITY GUIDELINES	

RECEIPT CONFIRMATION

SUPPLIER OR COMPANY NAME	
Name and address of site No. 1	
Name and address of site No. 2	
NAME:	
POSITION OR TITLE:	
DATE:	
Certifies having received and accepted these Quality Guidelines on behalf of the Company and the production activities or sites mentioned above.	
COMPANY STAMP & SIGNATURE	

After filling in the above fields, this confirmation of receipt must be returned to the Quality service of JST France SAS by fax: 0033(0)326721088 or by E-mail to "cmorice@jst.fr"

UPDATE and/or MODIFICATIONS		
Revision	DATE	SUBJECT OF THE REVISION
1	07/11/2007	General update.
2	22/07/2008	Addition requirements relating to REACH regulation chapter 10.1
3	22/10/2009	Different updating, insertion of the Green procurement AD.4012 Ver.2.0
4	04/11/2013	General updates, above all related to Environmental aspects, suppression reference to the AD 4012.
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JST FRANCE S.A.S. Author: C. MORICE Dept.: Quality	JST Specification	SPEC-GEN02 Revision: 4 Date: 04/11/2013 Page 2 of 21
	QUALITY GUIDELINES	

CONTENTS

1. PURPOSE	4
2. DEFINITIONS	4
3. QUALITY ASSURANCE	5
3.1. Objective	5
3.2. Quality System	5
3.3. Observance of JST Specifications	5
3.4. Quality Levels	5
3.5. Supplier Panel Control	5
3.6. Audits	6
3.7. Revision of the present Quality Contract	6
3.8. Confidentiality	6
4. TRACEABILITY	7
4.1. General requirement	7
4.2. Bar codes (JST France SAS requirement)	8
5. INITIAL SAMPLES (IS)	8
6. MODIFICATIONS	9
6.1. General	9
6.2. Preventive alert	9
7. HANDLING OF QUALITY INCIDENTS	9
7.1. General	9
7.2. Step 1: Analysis and handling of the non-conformity file by JST France SAS	10
7.3. Step 2: The Supplier's immediate action plan	10
7.3.1. Usable products:	10
7.3.2. Products not usable, without critical situation:	10
7.3.3. Products not usable, leading to a critical situation:	10
7.3.4. Step 3: Quality action plans	11
7.3.5. Step 4: Financial repercussions	12
8. OTHER REQUIREMENTS	12
8.1. Management of Human resources	12
8.2. Maintenance of Productive Equipment	12
8.3. Contingency plans	12
9. INSURANCE	13
10. CONTINUOUS QUALITY IMPROVEMENTS	13

JST FRANCE S.A.S. Author: C. MORICE Dept.: Quality	JST Specification	SPEC-GEN02 Revision: 4 Date: 04/11/2013 Page 3 of 21
	QUALITY GUIDELINES	

11. PRODUCTIVITY	14
11.1. Regarding the product	14
11.2. Regarding the process	14
11.3. Regarding logistics	14
11.4. Measurement of the results	14
12. ENVIRONMENT	14
12.1. General	14
12.2. Management of restricted or forbidden substances	14
12.3. Forms to be used for material or substance declarations	15
12.3.1. AUTOMOTIV market	15
12.3.2. ELECTRONICAL market	15
12.4. REACH Regulation	15
12.5. EC Directives for General application (For information, non exhaustive list)	16
12.6. EC Directives specific for Automotive sector (For information)	16
12.7. Other	16
13. DELIVERIES	16
13.1. General	16
13.2. Security stock	16
14. SUMMARY OF THE QUALITY AND LOGISTICAL OBJECTIVES	17
14.1. Quality	17
14.1.1. Incidents (RNC).....	17
14.1.2. PPM (objective for rolling 12-month period)	17
14.1.3. Lump sum costs for handling of RNC (acknowledged by the SUPPLIER)	17
14.1.4. Hourly costs for Containment operations:	17
14.1.5. Hourly costs for managing the RNC:.....	17
14.2. Classifications of Suppliers (Score Card):	18
15. DEFINITION OF SUPPLIER AND/OR SUBCONTRACTOR FAMILIES	18
16. DEFINITION OF REQUIREMENTS RELATED TO THIS PRESENT QUALITY GUIDELINE FOR EACH FAMILY OR SUBFAMILY	19
17. REQUIRED DOCUMENTS	19
17.1. Documents to be provided to JST France during Mass production	19
17.2. Documents to be provided to JST France for product Approval or service (DAQF)	20

JST FRANCE S.A.S. Author: C. MORICE Dept.: Quality	JST Specification	SPEC-GEN02 Revision: 4 Date: 04/11/2013 Page 4 of 21
	QUALITY GUIDELINES	

1. Purpose

The Supplier has been selected by JST France SAS thanks to his know-how and expertise in its proper perimeter.

By confirming receipt of these Quality Guidelines, the Supplier agrees to implement the necessary resources during the phases of industrialization, production, and delivery of products depending on the case to prevent, avoid and if necessary correct the shortcomings and flaws of the products, and to make deliveries to JST France SAS in observance of the planned quantities and deadlines.

The Supplier must always have available one or several people who know French or English (written and spoken).

2. Definitions

Below are the precise meanings of the terms and abbreviations used in the remainder of the document:

- ⇒ **AIAG**: (Automotive Industry Action Group)
- ⇒ **AQF**: (Assurance Qualité Fournisseur – Supplier Quality Assurance)
- ⇒ **AQP** (Assurance Qualité Produit – Product Quality Assurance) = (No incoming good inspection).
- ⇒ **DAQF**: Dossier Assurance Qualité Fournisseur – Supplier Quality Assurance File
- ⇒ **EICC** (Electronic Industry Citizenship Coalition)
- ⇒ **EHS** (Emphasis Hazardous Substances)
- ⇒ **EI**: Echantillon Initiaux = Initial Sample (**IS**): minimum quantity of parts made with a process that is representative of the series (means and conditions), presented for the obtaining of the serial delivery authorization.
- ⇒ **EPA** (ESD Protect Area)
- ⇒ **ESD** (Electrostatic Discharge)
- ⇒ **FIFO** (First In & First Out)
- ⇒ **FMEA** (Potential Failure Mode and Effects Analysis)
- ⇒ **GALIA**: Groupement pour l'Amélioration des Liaisons dans l'Industrie Automobile – Consortium for the Improvement of Connections in the Automobile Industry
- ⇒ **GADSL** (Global Automotive Declarable Substance List)
- ⇒ **GeSI** (Global e-Sustainability Initiative)
- ⇒ **GTL** (Global Transport Label)
- ⇒ **ICP** (Spectrometric analysis)
- ⇒ **IMDS** (Material Data Sheet Customer Submission)
- ⇒ **IPC** (Association Connecting Electronics Industry)
- ⇒ **IS** (Initial Samples according to AIAG standard)
- ⇒ **ISO** (International Organization for Standardization)
- ⇒ **JIG** (Joint Industry Guide)
- ⇒ **Odette** (Transport Label Guideline)
- ⇒ **PAQ**: (Plan Action Quality – Quality Action Plan)
- ⇒ **PCN**: (Product or Process Change Notification)
- ⇒ **PDCA** (Plan Do Check & Act): Process of continuous improvement or methodology for problem solving.
- ⇒ **PPAP** (Production Part Approval Process): Product delivery authorization process.
- ⇒ **PSW** (Part Submission Warrant)
- ⇒ **PPM** (defects expressed in Parts Per Million of parts delivered)
- ⇒ **REACH** (Registration, Evaluation, Authorization and Restriction of Chemicals)
- ⇒ **RNC**: (Réclamation Fournisseur – Supplier Complaint)
- ⇒ **SVHC** (Substances of Very High Concern)

JST FRANCE S.A.S. Author: C. MORICE Dept.: Quality	JST Specification	SPEC-GEN02 Revision: 4 Date: 04/11/2013 Page 5 of 21
	QUALITY GUIDELINES	

- ⇒ **5W** or 5 Why for occurrence and for non-detection (simple problem-solving technique)
- ⇒ **8D** (Method for develop customized, permanent solutions to problems; and prevent problems recurring)

3. Quality Assurance

3.1. Objective

The conformity objective is aiming for “ZERO PPM” in a process of constant improvement and delivery under Product Quality Assurance (AQP), working towards 100 % of deliveries in conformity with the predefined quantities and deadlines.

3.2. Quality System

In general, the Supplier must be certified ISO 9001: 2008.

For parts intended for automobile applications, the JST France SUPPLIER (or his own suppliers) must be ISO 9001:2000 2008 certified and preferably ISO/TS16949 2009 certified.

In all cases the SUPPLIER must be able to implement the methodologies as defined by the AIAG or similar standards.

The Supplier must automatically send documents to demonstrate the maintaining of his certifications to the Purchase department of JST France SAS.

3.3. Observance of JST Specifications

The Supplier agrees to observe the content of drawings and/or specifications communicated by JST France SAS, after having verified and confirmed their total feasibility or getting formal acceptance from JST France SAS in case of deviations.

Any acceptance by the Supplier of an order that mentions product plans or specifications will be considered by JST as a commitment by the Supplier to:

- ⇒ Supply the products according to the Quality, Quantity, and Price terms and deadlines indicated in the order.
- ⇒ Observe the modalities defined in these Quality Guidelines unless there are exceptions that are formally accepted by JST.
- ⇒ Comply with the JST drawings and/or Specifications according to the case.

3.4. Quality Levels

The Supplier agrees to implement product surveillance plan in order to reach the levels required in the following sections.

The Supplier is responsible for hidden defects in the supplied products, both those that are present at the time of their delivery and those that are found during successive periods in the life of the products.

3.5. Supplier Panel Control

JST FRANCE S.A.S. Author: C. MORICE Dept.: Quality	JST Specification	SPEC-GEN02 Revision: 4 Date: 04/11/2013 Page 6 of 21
	QUALITY GUIDELINES	

The Supplier must control the quality of its own suppliers and must, at the request of JST France SAS, provide all elements necessary to prove this fact (product or process validation, material certificate, etc.), and also to ensure the traceability of the raw materials or basic parts received from them.

The Supplier must make sure that the quality level of its own Suppliers is compatible with the commitments made in these GUIDELINES, and must promote the obtaining of certifications (ISO 9001:2008 as minimum) among its own Suppliers.

The Supplier is fully responsible for the quality and delivery of products purchased by JST France, whether integrated or not to products manufactured by JST France.

The Supplier is involved in and, if necessary gets its own Suppliers involved in the handling of Analysis Requests and Supplier Complaints issued by JST France SAS, until the final eradication of the causes that generated such complaints.

The Supplier shall ensure that JST France will have access to facilities of subcontractors areas and working processes when necessary, to check if its own subcontractors are in compliance with the requirements set, or for investigations following complaints.

3.6. Audits

JST France SAS can carry out or order System or Process audits to validate the Quality system and/or surveillance plan implemented by the Supplier.

An Audit report is drawn up and sent to the Supplier.

When Audits reveal deviations or non-conformities, a list of these deviations and non-conformities is also sent to the Supplier.

The action plan intended to correct these deviations must be sent in written to JST France SAS including the deadline negotiated on the day of the audit.

The objective is to reach total AQP coverage (100%) for products delivered to JST France SAS in high and steady volumes.

3.7. Revision of the present Quality Contract

This present Quality Agreement is reviewed periodically and is subject to distribution accordingly.

Any acceptance of purchase orders from JST France SAS implies acceptance by the Supplier of this contract for the relevant aspects.

3.8. Confidentiality

The Supplier agrees to never mention the terms of his own supply relations with JST France unless there is a written agreement to this effect.

The supplier furthermore agrees to consider as confidential all commercial and technical information as well as all information regarding technologies and manufacturing and control systems specific to JST France SAS.

JST France SAS forbids Suppliers to sell spare parts made according to its specifications and/or with its tools to third parties.

In the case of request for quotation, before any disclosure of JST documents, the Supplier must sign and accept the terms of a confidentiality agreement.

4. Traceability

4.1. General requirement

In order to be able to link any defects in the products delivered by the Supplier's manufacturing processes and tests; the Supplier will implement and maintain a reliable product identification procedure.

The Supplier undertakes to respect a FIFO system for the management of products, components and raw materials.

Supplier agrees to control non-compliant or obsolete products.

The Supplier shall ensure that its specific Suppliers are able to meet these 2 previous rules.

SUPPLIER shall have a formal process to identify the product all along the production process starting with raw materials and subassemblies till delivered products.

The implemented methodology must give to the supplier the ability to quickly identify and quantify the product by manufacturing date and production batch, also the batch of raw materials or sub-products concerned.

The Supplier shall ensure that the subcontractors or suppliers also maintain an effective and reliable material or product traceability.

In case of quality or environmental issue, the Supplier shall be able to quickly identify and isolate the different batches of products making reference to the labelling information communicated by JST France SAS and / or dates on which the material was received by JST France SAS.

JST France SAS expects that the Supplier will be able if necessary respond with the complete traceability information, including the dates of shipment, quantity, quality and condition of the impacted goods

Each lot will have to be analysed about the potential risks.

Controlled batch and traceability should be ensured for all risks identified in the process.

The Supplier will ensure its ability to detect and prevent shipments of a potential suspect product, to handle replacement needs and to bear associated costs of product substitution.

Each delivered product must have at least one identification label based on the following model:

Labeling according to GTL standard (AIAG/ODETTE/JAMA/JADIA) or similar

Items that must be mentioned for each pallet	Items that must be mentioned on each intermediary or inner packaging
<ul style="list-style-type: none"> • Product designation (bar code) • Supplier's name • Part and JST code Numbers • Production Batch Number • Quantity delivered • JST France Order Number 	<ul style="list-style-type: none"> • Product designation • Supplier's name • Part and JST code Numbers • Quality inspection mark • Production Batch Number • Production number lot or unit package • Production date • JST France Order Number

The Supplier will keep a record of all of the quality inspection reports for the supplies for a period of 10 years starting to the date of delivery to JST France SAS.

The date-code will appear clearly on the products, and if necessary, on the minimum packaging unit.

The Supplier will provide in writing an explanation of its date-code system and of all of the identification and traceability elements.

The Supplier shall inform JST France SAS about the shelf life of its products and the conditions of storage, use, and handling. In case of no specific recommendation JST France SAS cannot be held responsible for any damage consecutive to missing communications by the Supplier.

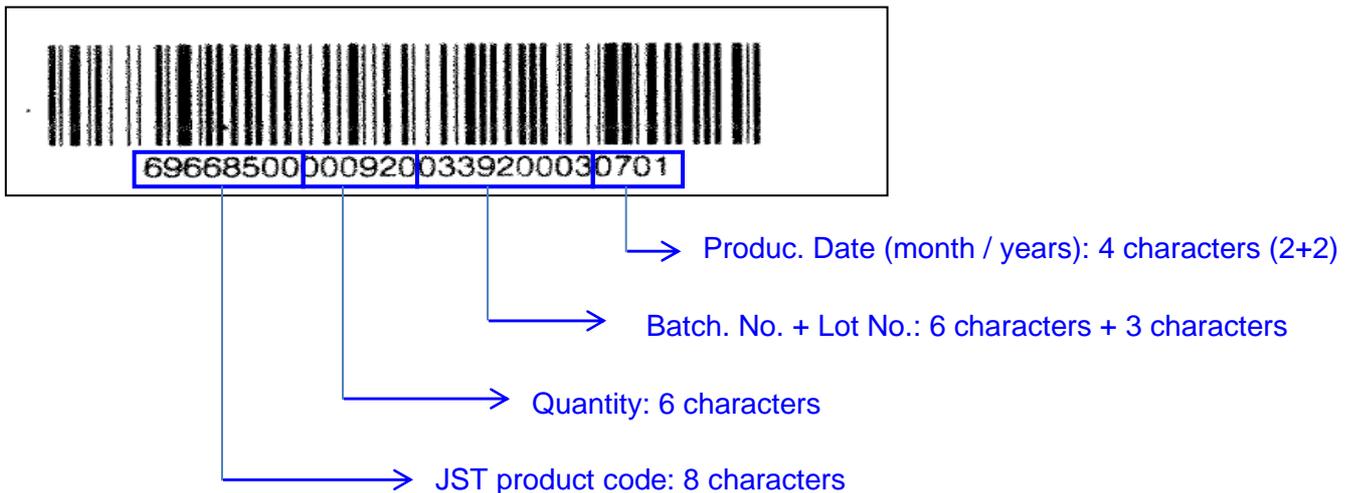
4.2. Bar codes (JST France SAS requirement)

JST France SAS strongly encourages its suppliers to use bar code identification according to JST France internal rules, in addition with other possible requirements or specific Supplier rules.

In this case, the bar code must meet the following specifications:

Code 128 (33mm*12mm),
 Density: 0.274 characters per mm

And contains the information described below:



The target objective is total bar code marking for all products delivered to JST France SAS.

5. Initial samples (IS)

In order to get the authorization to deliver a product in series (new or modified products), the Supplier must provide Initial Samples in compliance with the requirements of the AIAG or equivalent or in accordance with the requirement of the DAQF requirements defined chapter 16.2.

After submission of the Initial Samples (IS), the Supplier agrees to produce serial parts that are in all ways identical to the IS and fully compliant with the JST drawings or specifications.

The objective of JST France SAS and of the Supplier is to have 100% of the Initial Samples accepted, the first submission and within the agreed deadlines.

The presentation of initial samples is necessary in the following cases in particular:

- ⇒ New product
- ⇒ Product modified or change of revision index of the JST plan or specification
- ⇒ New or altered tool

JST FRANCE S.A.S. Author: C. MORICE Dept.: Quality	JST Specification	SPEC-GEN02 Revision: 4 Date: 04/11/2013 Page 9 of 21
	QUALITY GUIDELINES	

- ⇒ Change of manufacturing process, raw material procurement source, component, or modification of the manufacturing process such as a change of sub-contractor.
- ⇒ Change of production unit at the Supplier's premises
- ⇒ Suspension of delivery for a period greater than 12 months, if requested by JST France.

REMARK: If a product is to be made with several identical tools or by a tool with several cavities in the case of plastic injection in particular, an IS submission is necessary for each tool or each cavity of the tool.

6. Modifications

6.1. General

No modifications of characteristics of the delivered products, their manufacturing processes, and packaging or transport modalities are to be initiated by the Supplier without the express, prior written agreement of JST France SAS.

The Suppliers must inform JST France SAS in a formal manner prior to any modification of their manufacturing process using a PCN form or similar and at least three months before the planned application of the modifications, the approval time for modification can be adjusted, most of time increased depending of the JST France Customer's rules.

The Suppliers are allowed to perform the modifications only after the necessary approvals have been given by JST France SAS (return of the PCN approved, request of samples (see chapter 5 & 6), and request for additional documentation (see chapter 17.2) etc.) and must fully comply with the requirements for approval prior to implementation and delivery. Providers can get copies of the PCN form and learn about the process by contacting JST France SAS.

JST France reserves the right to refuse any modification or deviation.

6.2. Preventive alert

The SUPPLIER agrees to inform JST France SAS of any abnormal deviation in the characteristics of the process, product and its main components (critical parameters, efficiency, tests and sampling measurements).

This notification must detail the nature of the deviation and identify the deliveries that are potentially affected. A plan of palliative and corrective actions will be presented to JST France SAS as soon as possible.

7. Handling of Quality incidents

7.1. General

The Supplier is responsible for the quality of the products delivered to JST France SAS. This responsibility covers:

- ⇒ The product itself.
- ⇒ The transport to the planned destination if applicable.

JST FRANCE S.A.S. Author: C. MORICE Dept.: Quality	JST Specification	SPEC-GEN02 Revision: 4 Date: 04/11/2013 Page 10 of 21
	QUALITY GUIDELINES	

⇒ The possible repercussions on the quality of JST France SAS products due to the Supplier.

7.2. **Step 1: Analysis and handling of the non-conformity file by JST France SAS**

Any non-conformity of a repetitive or recurring nature, or those that can potentially affect safety, the functionality of the product or respect for the environment, give rise to a Supplier Complaint (RNC) sent by JST France SAS to the Supplier. According to the level of criticality of the incident, non-exhaustive cost elements may already be included in it.

The Supplier must react to the non-quality problem by sending to the AQF Department of JST France SAS a confirmation of receipt (within 24 working hours of the sending of the RNC), and then a Quality Action Plan (PAQ) as defined in step 3.

7.3. **Step 2: The Supplier's immediate action plan**

7.3.1. **Usable products:**

If the SUPPLIER has a residual stock of products that is not in conformity, he must isolate it, identify it and contact the AQF Department of JST France SAS to see the possibility for an acceptance under formalized deviation request.

To be able to deliver products that are not in conformity, the deviation must be at first accepted.

All deliveries of products accepted after deviation approval must be identified with labels which recall the deviation number.

7.3.2. **Products not usable, without critical situation:**

If the observed defect does not disturb the JST France SAS production flow and does not risk for affecting the end Customer, the Supplier is simply responsible for the return to conformity or replacement of the defective products at his own expense.

7.3.3. **Products not usable, leading to a critical situation:**

The situation is declared critical by JST France SAS in the following cases:

- ⇒ Complaint issued from a JST France SAS's Customer
- ⇒ Interruption of procurement leading to a disturbance of JST France SAS productions.

When JST France SAS informs the Supplier of a critical situation, the Supplier must take all necessary actions in order to ensure a rapid return to a normal situation.

The following obligations must be taken in account by the supplier in addition to the actions described previously:

- ⇒ Carry out sorting operations or have them carried out in agreement with JST France SAS. These operations are invoiced to the Supplier according to the modalities defined in the section SUMMARY OF QUALITY/LOGISTICS OBJECTIVES.

JST FRANCE S.A.S. Author: C. MORICE Dept.: Quality	JST Specification	SPEC-GEN02 Revision: 4 Date: 04/11/2013 Page 11 of 21
	QUALITY GUIDELINES	

- ⇒ Take part in the analysis and eradication of the defect, including cases in which the analysis does not yet allow for problem identification or in cases where supplier non-conformity is not yet recognized.
- ⇒ Within 48 working hours, upon receipt of the physical sample or photographic evidence of the defect, sending the emergency plan of action which will be approved by JST France SAS, and implemented by the Supplier. This plan must include protection actions to be applied immediately on products in use and a quantitative evaluation of the risk.
- ⇒ The SUPPLIER shall also ensure the quality of products that may be in transit to France JST

Remark: components that are already partially used in production (line rejections), and for which the Supplier's responsibility is confirmed, will be made available to the Supplier at the JST France SAS site for a maximum period of 1 month.

Identification of replacement deliveries and the following deliveries

Regardless of the declared status of the non-conformity, the Supplier must:

- ⇒ Identify, isolate and quantify all of the products that have or that could have the defect in his entire finished product and in-progress ones.
- ⇒ Quantify and communicate to JST France in a accurately manner, all information about products that may be involved by the failure in all finished goods inventory and those in transit to JST France.
- ⇒ Mention on the batches of replacement, products free of the defect or on the batches of products delivered under deviation approval, a certification mark defined with the AQF Department of JST France SAS (a label – preferably colored – with the wording “CONFORME”, with identification of the RNC No. or Deviation approval No.).
- ⇒ Guarantee the following deliveries and indicate them with the certification mark defined with the AQF Department of JST France SAS if it requested to keep a delivery procedure with special surveillance.
- ⇒ In case of deliveries under formalized AQP status, such status will be removed by JST France SAS at least for the following three deliveries.

7.3.4. Step 3: Quality action plans

As a complement to the emergency actions described previously, the Supplier must, following any quality incident, draw up a Quality Action Plan (PAQ) in 8D or PDCA format to avoid recurrence of the defect within a maximum period of 10 working days of receipt of the RNC.

This plan must include:

- ⇒ An exhaustive analysis of the causes of the failure (8D, PDCA, 5W....)
- ⇒ The various measures recommended eliminating the defect (modification of tools, etc.)
- ⇒ Validation of the solution(s) chosen

JST FRANCE S.A.S. Author: C. MORICE Dept.: Quality	JST Specification	SPEC-GEN02 Revision: 4 Date: 04/11/2013 Page 12 of 21
	QUALITY GUIDELINES	

- ⇒ The name of the manager(s) of the quality action plan
- ⇒ The schedule for the implementation of the actions
- ⇒ The QUALITY objective attributed

In case of modification of quality documentations as production flow chart, Fmea, control plan, instruction or maintenance check or record sheets, such modified documentations will be communicated to JST France.

JST France SAS will close the supplier complaint (RNC) based on verification or evidence of the efficiency of all of the corrective actions.

7.3.5. Step 4: Financial repercussions

For each RNC, and obviously in the event of recurrence (defect for which there was already issued an RNC), the Quality Department of JST France SAS inventories the events that could give rise to compensation that occurred during the incident and the corresponding costs, within a reasonable period of 3 months. The AQF Department reserves the right to draw up a provisional or final invoice to be sent to the SUPPLIER (see section **SUMMARY OF QUALITY/LOGISTICS OBJECTIVES**)

A quality incident agreement protocol will be jointly implemented by the two parties.

8. Other requirements.

8.1. Management of Human resources

The Suppliers must be in full compliance with ISO standards and/or country rules including all disposals relating to the management of the human resources.

Suppliers must have a formal safety program that includes a contingency plan covering accidents, environmental events such as spills and leaks and fire or other important events and evacuation measures in case. Formal process of training and evaluation of new employees and current employees, to eliminate the risk associated with human error.

8.2. Maintenance of Productive Equipment

The Supplier shall implement preventive and predictive maintenance to ensure regular verification performed on any / all equipment and tools used to build products JST France SAS.

The frequency and perimeter of maintenance have to be defined in order to prevent as well any issue. JST France SAS expects that the Supplier uses methods of predictive rather than reactive maintenance.

The Supplier shall keep records and evidence of preventive and predictive maintenance and must make them available at the request of France JST SAS.

8.3. Contingency plans

All Suppliers of JST France SAS must have an executable emergency plan to protect JST France SAS against stops of production or other disturbances that may affect the quality or threaten the delivery date or the amount of deliveries.

The Supplier shall notify JST France immediately of any potential situation that could affect the quality or delivery of the product.

The Suppliers shall take all precautions and implement preventive measures to ensure the right amount of defect-free products, in accordance with the agreement on the specifications are there it occurs.

JST FRANCE S.A.S. Author: C. MORICE Dept.: Quality	JST Specification	SPEC-GEN02 Revision: 4 Date: 04/11/2013 Page 13 of 21
	QUALITY GUIDELINES	

Examples of precautions that the supplier should include are:

- ⇒ Security stocks
- ⇒ Alternative production facilities
- ⇒ Alternative sources of supply for raw materials and sub-components
- ⇒ Appropriated measures back.
- ⇒ Evaluation regular risk internally and with suppliers of level n .
- ⇒ Regular monitoring of raw materials and sub- component suppliers to financial stability .
- ⇒ Methods of preventive and predictive now .
- ⇒ Plans formal notification for the preparation and planning of workforce stoppages

9. Insurance

The SUPPLIER agrees to subscribe a LEGAL LIABILITY insurance policy covering damages before and after product (or service) delivery.

The guarantees provided in terms of legal liability after product delivery (or service), or professional civil liability, may not be less than the following minima: all bodily injury, property damage and consequential losses, consecutive or not, taken together, two (2) million Euros per claim and per year of insurance, including one and a half (1.5) million Euros under the guarantee for non-consecutive consequential losses and one half (0.5) million Euros, for dismantling-assembly and product removal, expenses.

The SUPPLIER agrees to provide proof of having subscribed such an insurance policy before starting to implement the order.

An insurance certificate must be sent to JST France SAS

The providing of this Insurance certificate does not in any way constitute recognition by JST France SAS of a limitation of the Supplier's liability.

10. Continuous Quality improvements

The Supplier's services will be monitored by indicators updated periodically by JST France SAS. These indicators are sent to the major SUPPLIERS at least every 12 months. They contain the following elements:

- ⇒ Level of PPM refusal (Based on the rejects upon JST France SAS Integration) if the supplier is subject to this criterion.
- ⇒ Number of JST France SAS complaints (RNC)
- ⇒ Rating of audit if done for the period.
- ⇒ Service rate based on effective delivery dates according to the ones confirmed by the supplier.

In order to continually improve the quality of the products and the relationship between JST France SAS and the SUPPLIER in the field of quality, the quality representatives of both companies will meet regularly to oversee the progress plans and will be in charge of intervening in the event of any incidents or problems relating to quality.

The SUPPLIER may send JST France SAS his own quality or service level measures, if any.

JST FRANCE S.A.S. Author: C. MORICE Dept.: Quality	JST Specification	SPEC-GEN02 Revision: 4 Date: 04/11/2013 Page 14 of 21
	QUALITY GUIDELINES	

11. Productivity

The SUPPLIER and JST France SAS agree to carry out on-going “progress” actions to respect the economic requirements of the clients of JST France SAS.

JST France SAS agrees to make all efforts to qualify the jointly proposed action plans.

11.1. Regarding the product

JST France SAS requests that the SUPPLIER make product improvement proposals. These suggestions will be made in written form, and should highlight the financial benefits that JST France SAS can expect from them.

11.2. Regarding the process

All of the components of the cost of the product will be regularly re-examined by the SUPPLIER in order to support an on-going progress approach.

At the Supplier’s request, JST France SAS can make specialized personnel available to accompany the SUPPLIER in his in-house progress approach.

The sharing of the benefits from these approaches will involve negotiations prior to the launching of the operation.

11.3. Regarding logistics

THE SUPPLIER agrees to undertake an on-going improvement approach to enhance responsiveness and to decrease procurement times as part of a responsible environmental protection approach.

11.4. Measurement of the results

The efforts of the SUPPLIER, in terms of cost reductions and the number of proposals/suggestions made for the period, will be taken into account by JST France SAS in the assignment of the contracts for the coming years.

12. Environment

12.1. General

The SUPPLIER should preferably be **ISO14001 2004 certified**.

12.2. Management of restricted or forbidden substances

The SUPPLIER agrees to observe legal and environmental requirements concerning limitation or ban of dangerous substances, and provide to JST France SAS the compositions of the products delivered when requested.

The supplier agrees to provide upon JST France request:

JST FRANCE S.A.S. Author: C. MORICE Dept.: Quality	JST Specification	SPEC-GEN02 Revision: 4 Date: 04/11/2013 Page 15 of 21
	QUALITY GUIDELINES	

- ⇒ An annual ICP analysis of the six prohibited substances (Pb, Hg, Cd, CrVI, PBE, PBDE).

For all new articles sold to JST France, the supplier must provide to the AQF department of JST France:

- ⇒ A conformity certificate proving that the product will comply properly with the Environmental requirements.
- ⇒ A material or substance declaration
- ⇒ The Material Safety data sheets

12.3. Forms to be used for material or substance declarations

12.3.1. AUTOMOTIV market

The components or substance declarations of supplied items or Material Data sheet must be submitted through the IMDS web site (<http://www.mdssystem.com/>) to JST France (ID Account 17111).

GADSL (<http://www.gadsl.org/>) controls the official list of substances to be used as reference for the IMDS submissions

12.3.2. ELECTRONICAL market

The components or substance declarations of supplied items must be communicated to JST France using different forms mentioned in the JIG-101 (available on different web sites as the ones for IPC, CEA, and JEDEC...)

The form will be defined by JST France according to the case and supplier agreement.

12.4. REACH Regulation

The supplier according to following cases agrees,

- ⇒ For suppliers from the member countries of the European Union,

,to implement all of the requirements of Regulation (EC) n°1907/2006 of the European Parliament and Council of December 18, 2006 which took effect on June 1, 2007 and concerning the recording, evaluation and authorization of chemical substances, as well as the restrictions applicable to these substances (REACH)

- ⇒ For suppliers from outside of the European Union

,to choose an exclusive representative based in the European Union or to send to JST France all of the elements necessary to allow it to fulfill its obligations with regard to Regulation (CE) n°1907/2006 for the recording, evaluation, and authorization of chemical substances, as well as the restrictions applicable to these substances (REACH)

Generally speaking, it is requested to the Supplier to guarantee that the materials or articles delivered to JST France do not contain substances from the list "Candidate List of Substances of Very High Concern for Authorization" not more 0.1% of the total mass.

JST FRANCE S.A.S. Author: C. MORICE Dept.: Quality	JST Specification	SPEC-GEN02 Revision: 4 Date: 04/11/2013 Page 16 of 21
	QUALITY GUIDELINES	

In case of presence of SVHC substance the supplier agrees to inform JST France about mass percentage and substance name.

IMPORTANT REMARK: This list will be periodically updated when new substances will be identified as SVHC.

For that reason it is requested to the Suppliers to manage by them, the Regulation surveillance.

12.5. EC Directives for General application (For information, non exhaustive list)

- ⇒ European Directive n°94/62/EC concerning packaging and packaging wastes
- ⇒ European directive 2012/19/EC on waste electrical and electronic equipment (WEEE)
- ⇒ European directive 2011/65/EC concerning the restriction of the use of certain hazardous substances in electrical and electronic equipment (RoHS 2)

12.6. EC Directives specific for Automotive sector (For information)

- ⇒ European directive 2000/53/EC concerning end of life of vehicles, including appendix II concerning materials and components (Including all successive modifications)

12.7. Other

The supplier agrees to provide to JST France SAS upon request, the documented information related to the Dodd-Frank Act Conflict Minerals (Section 1502) using the forms issued from the EECI (GeSI).

13. Deliveries

13.1. General

The purpose of this section is to remind the SUPPLIER of the importance of respecting delivery Dates and Quantities.

The SUPPLIER agrees to make deliveries within the deadlines that he himself confirmed in accordance with JST France and in case of emergency to use specific delivery modes as (taxi, plane, express ...)

The Supplier agrees to take in charge the cost of the exceptional transport when his responsibility is involved.

13.2. Security stock

When the purchase contract(s) provide for a security stock, JST France reserves the right to verify its existence.

13.3. Transport

The Supplier shall comply with the instructions for packaging and protections that have been defined and agreed between France and JST SUPPLIER during the PPAP submission or at the start of the project or deliveries.

The Supplier shall comply with all instructions that could be made and shown on the JST France orders (ex: Do not stack – position of the palette ...) at loading step, and shall forward the same instructions to the carrier (if the transport is not a direct one, or shipping through a platform). It will also ensure the quality of the goods during loading (in order to avoid forklifts forks shocks - humidity - crushed boxes etc.)

JST FRANCE S.A.S. Author: C. MORICE Dept.: Quality	JST Specification	SPEC-GEN02 Revision: 4 Date: 04/11/2013 Page 17 of 21
	QUALITY GUIDELINES	

The Supplier shall ensure (or commit) where he is responsible for the transportation, loading of goods, positioning and compliance requirements JST France (ex: Do not stack - position of the palette etc.)

14. Summary of the Quality and logistical objectives

14.1. Quality

14.1.1. Incidents (RNC)

- ⇒ Number of incidents C1 =0 (detected at the premises of the client of JST France SAS)
- ⇒ Number of incidents C2 =1 maxi (detected upon integration at the JST France SAS site)
- ⇒ Number of incidents C3 =1 maxi (detected during the JST France SAS at incoming good inspection)

14.1.2. PPM (objective for rolling 12-month period)

- ⇒ **≤ 20 PPM in general, unless there are particular specifications, which must be mentioned in the purchase contract(s).**
- ⇒ **= 0 PPM, for all aspects that can have an impact on the safety of people and the functionality and Critical Characteristics (CC) or Special Characteristics (SC) of the product delivered mentioned in the plans or specifications provided by JST France SAS, and for all aspects relating to respect for the environment, particularly those indicated in the preceding ENVIRONMENT section.**

14.1.3. Lump sum costs for handling of RNC (acknowledged by the SUPPLIER)

- ⇒ C1 Incidents 300 euros/incident
- ⇒ C2 Incidents 200 euros/incident
- ⇒ C3 Incidents 100 euros/incident

14.1.4. Hourly costs for Containment operations:

- ⇒ Hourly rate for temporary workers France x 1.5 according to the rate in effect at the time of the Incident (RNC)

14.1.5. Hourly costs for managing the RNC:

The JST France responsible for managing the RNC will proceed to:

- ⇒ the organization of the treatment of the RNC
- ⇒ the monitoring of the action plan of the Supplier
- ⇒ the definition of the containment perimeter (Also at Customer side if necessary)
- ⇒ the training and monitoring of operators or agency when sorting and preparation instructions

Hourly Engineer x 1.5 France at the rate in effect at the time of the incident (RNC)

JST FRANCE S.A.S. Author: C. MORICE Dept.: Quality	JST Specification	SPEC-GEN02 Revision: 4 Date: 04/11/2013 Page 18 of 21
	QUALITY GUIDELINES	

14.2. Classifications of Suppliers (Score Card):

The Suppliers are evaluated every end of year for quality aspects, logistic and global based on the following rankings.

Classification A	Trusted suppliers The products can be delivered in AQP (If JST France S.A.S. agreement) No action plans needed They should be the priority sources for upcoming projects	Notation from 15 to 20
Classification B	Suppliers with a margin for progress Action plans can be started Potential suppliers for future projects	Notation from 10 to 15
Classification C	NON-efficient Suppliers Launching of action plans - Objective: Shift to category B within 3 months or eliminate from panel. Will not be consulted for upcoming projects	Notation less than 10
Classification NA	Suppliers not evaluated – no deliveries in recent months	No Notation

The objective is the classification of 100% of the SUPPLIERS in categories A or B.

15. Definition of Supplier and/or Subcontractor Families

CLASSIFICATION FOR SERVICES , PRODUCT SUPPLIERS and SUBCONTACTORS			
FAMILY	SUB-FAMILIES	CODE	
Services (work, transport, etc.)		1	
Packaging / consumables (catalogue products with no JST drawings or specifications)		2	
Packaging / consumables (specified by drawings or specifications)	All suppliers for the considered Family except following cases.	3	
	Tube extrusion or sticks		3.1
	Thermoformed Trays		3.2
Raw Materials	All suppliers for the considered Family except following cases.	4	
	Thermo plastics, Plastic colorants		3.3
	Metal Trip		4.1
	Electrical Wires		4.2
Finished products / components (specified by drawings / specifications)		5	
Sub-contracting (based on specifications / drawings)	All suppliers for the considered Family except following cases.	6	
	Plating		6.1
	Metal tooling as stamping.		6.2
JST Affiliates		7	
Technical Equipment (Tool, dies, assembly machines)		8	

QUALITY GUIDELINES

Series production surveillance plan.	-	-	X(1)	-											
Study of the Repeatability and Reproducibility of the measurement systems used in mass production (in reference to the surveillance plan)	-	-	X(1)	-											
Quality and maintenance recordings planned in mass production	-	-	X	X	X	-	-	-	-	X	X	X	X	X	-
Presentation and validation of production tools and control systems.	-	-	X	X	X	-	-	-	-	X	X	X	X	X	-
Packaging validation	-	-	X(1)	X(1)	X(1)	X	X	X	X	X(1)	X(1)	X(1)	X(1)	X(1)	-
Definition of an Emergency Plan (specific procedure for delivery to the client in the event of an incident)	-	-	X	X	X	X	X	X	X	X	X	X	X	X	-
Data concerning Security Stock (To be checked during process audit)	-	-	X	X	X	X	X	X	X	X	X	X	X	X	-

X (1): Mandatory requirements in case of automotive applications.

X: File for the ones the need can be negotiated between the Supplier and JST France SAS (AQF)

XX: Mandatory files