	<b>QUALITY SYSTEM STANDARDS &amp; PROCEDURES</b>	<b>WI 4.6-15</b> Rev. B
<b>Document Title:</b>	<b>Supplier Improvement Program (SIP)</b>	
<b>Document Owner Title:</b>	<b>Quality System Manager</b>	

**1. PURPOSE**

To provide guidance to Autosplice Suppliers selected to participate in the Supplier Improvement Program (SIP).

**2. SCOPE**

This procedure applies to all suppliers placed on Supplier Improvement Program (SIP).

**3. REFERENCED DOCUMENTS**

QM-003 – Supplier Quality Manual

**4. RESPONSIBILITIES**

It is the responsibility of suppliers selected for SIP to comply with the requirement stated in the Work Instruction.

**5. PROCEDURE**

**Supplier Selection for SIP**

Autosplice understands that our suppliers play an integral part in maximizing our customer’s satisfaction. Because suppliers play such an integral part of Autosplice success, Autosplice has developed this Supplier Improvement Program. Suppliers can be placed on this improvement program because of quality and or delivery issues, or simply because the supplier has been identified as a supplier that requires development.

**Delivery / Quality Performance**


On-time delivery and quality performance is monitored and reported to key suppliers. Suppliers falling below the minimum on-time delivery performance and quality performance metrics are required to participate in a supplier improvement program (SIP). SIP is a detailed corrective action assessment and implementation plan developed mutually between Autosplice and the supplier. If performance improvement is not achieved in 90 days, the supplier may be de-sourced as an Autosplice supplier.

**Requires Development**

Suppliers can also be placed on SIP, simply because Autosplice has determined that the supplier requires further development. Areas of development can be determined by evaluating:

- Supplier Corrective Action Report responses
- Quality level of PPAP documentation.
- Quality level of first article submissions
- Cost reduction improvement projects

Autosplice will provide a copy of this document to suppliers placed on SIP additional requirements may be shared by purchasing and/or Quality department as needed.

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Suppliers placed on SIP because of delivery and or quality performance will have 90 days to show improvement and that they are meeting the targets defined in the corrective action assessment and implementation plan. This will require monthly progress reports from the supplier to show the progression to addressing the problems e.g.: Conference calls minutes, emails, notes at the end of the program, Autossplice will review the progress of the supplier. If the supplier meets the targets that were agreed upon between the supplier and Autossplice and demonstrates improvement, the supplier be removed from SIP. If the supplier does not show improvement, the supplier can be de-sourced.

### Supplier Development

Suppliers placed on SIP because of development reasons will be provided with guidance and or training in the areas that need further development. These suppliers will also be monitored for 90 days to evaluate the development of the supplier. This can require monthly progress reports from the supplier or just require Autossplice to evaluate the areas that needed development to look for improvements. This will be an agreed upon decision between the supplier and Autossplice. If the supplier meets the targets that were agreed upon between the supplier and Autossplice and demonstrated improvement, the supplier will then graduate out of the program. If the supplier does not show improvement, the supplier can be de-sourced.

## 6. REVISION HISTORY

<b>Revision Level</b>	<b>Change Description (be fairly specific; provide section numbers when possible)</b>	<b>Change Originator's Full Name</b>	<b>Revision Date (in Month DD, YYYY format)</b>
A	Initial release	Christina Copley	08/30/2005
B	Wording adjustment	Walter Paez	05/19/2017