

Statement of Requirements Tooling

{{Program – Partition}}

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Attachment A: Quote Information and Tool Configurations – Program Specific

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Attachment E: Reference – Program CTD / Sections

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PURPOSE

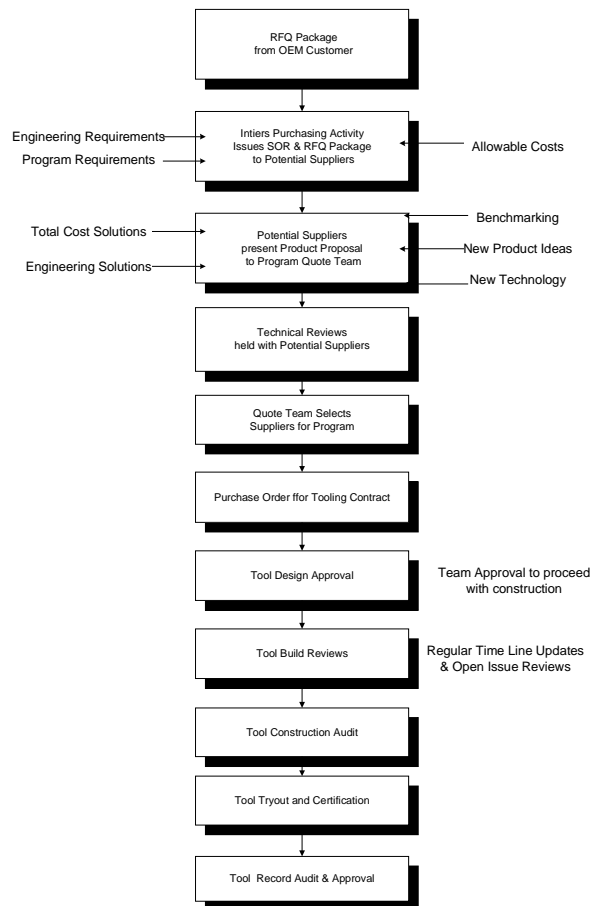
This Statement of Requirements (SOR) is a living document and details the expectations and requirements of the source responsible for the supply of said tooling. This document will also be used as a means of tracking the program to its imperatives of investment, quality, cost, durability, serviceability and workmanship.

DAKKOTA INTEGRATED SYSTEMS PURCHASING SYSTEM

DAKKOTA INTEGRATED SYSTEMS Purchasing Activity will carry out identification of potential suppliers, RFQ activities, and sourcing decisions for this program. The DAKKOTA INTEGRATED SYSTEMS operating division and the Program Quote Team must approve sourcing decisions.

SOR DOCUMENT CONTROL

The DAKKOTA INTEGRATED SYSTEMS Purchasing Activity will ensure that potential Suppliers receive revised editions of this SOR as required. Potential sources will receive only replacement pages pertinent to the revisions, along with a revision record/acknowledgment letter.



SUPPLIER PROGRAM MANAGEMENT

Upon receipt and acceptance of the operating division Purchase Order, the supplier will assign a Program Manager to follow the tooling. The Program Manager will be the primary contact between the operating division and the supplier.

The Program Manager must be available to attend design review meetings as needed. He or she must also be given the opportunity to discuss costs and quote changes.

Program Manager will be responsible for coordinating the entire contracted program. The package including, but not limited to, the molds, gages, fixtures, etc.

The supplier will supply the operating division Project Management Representative with a detailed timing chart, which will be updated and submitted every two (2) weeks beginning at issuance of the purchase order to the supplier.

The Platform/Project Team will provide the project tracking format and reporting frequency. The Project Tracking and Reporting standard formats are in Microsoft® Project and Microsoft® Excel. Ability to communicate utilizing E-Mail (Lotus Notes®) will also be required.

The supplier is responsible for **notifying** the operating division Project Management Representative of any **slippage in timing as soon as possible**. The operating division Project Management Representative may at that time request a written plan, which indicates how the slippage may be avoided. This may include premium time at the **supplier's expense** if the slippage is caused by anything out of the operating control or that of its customer.

PROGRAM SUPPORT

As requested, Suppliers agree to provide support personnel on-site at the Operating Division for build events, as requested. This includes Pre-Production, Pilot and SOP Launch. Suppliers are to provide on-site at the Dakkota



Receive RFQ Package
from OEM Customer

receiving location, and/or OEM Assembly Locations as required, for investigation and resolution support for product, process and customer service related issues for a minimum of 60 days after start of production.

ISSUE REPORTS AND TRACKING

The Suppliers shall utilize a disciplined corrective action process and a suitable tracking system for build related issues. The Suppliers will provide the Dakkota Integrated Systems' Platform/Program Team with weekly updates on root-cause analysis and a target completion dates for closing any Issue Reports that may result from any build events

TOOL DESIGN

** Refer to the Safety and Ergonomic Specification document. **

The appropriate Project Management representative prior to proceeding with tool construction will approve tool Designs. Tool Design will include, where applicable, runoffs, bodylines, location features, shrink factors, location and size of all tool connections.

All tooling aids used in construction of molds become property of Dakkota Integrated Systems. Any use of these aids by the supplier to produce tooling for customer other than Dakkota Integrated Systems is forbidden without written consent by authorized Dakkota Integrated Systems personnel. Tooling aids include anything used to

construct the mold such as duplicating casts, die molds, check fixtures, or special tools, which do not retain capital asset value to the supplier.

When use of math data is required, supplier must be able to support receiving and utilizing native UG format files for math data. Support is defined as in-house capabilities or utilizing certified source to receive, read, and utilize math data. Use of format other than native UG format, must be approved by the appropriate Dakkota Integrated Systems Management Representative.

Tool shop must be capable of making surface design changes in native **UG** data and transmitting revised data back to customer

Required tool timing is 8 weeks from kick off date to certified tool shipment.

Tool Drawings are required for both prototype and production and are to be approved prior to ordering build materials for fabrication the required drawing will be signed off by the Plant Project Engineer.

TOOL BUILD REVIEWS

Tool shop must supply timelines in Microsoft® Project weekly to customer Program Manager.

Tooling Status Reports and Open Issues Reports will be supplied to customer for each tooling program on a weekly basis. Engineering changes must be quoted and returned along with new revised timing within 3 working days from time of receipt of change notice.

TRYOUT AND TOOL CERTIFICATION

Where required, the appropriate Project Management Representative will communicate third party certification requirements to the supplier.

Once the supplier has demonstrated that the tool produces dimensionally correct part via layout reports, Dakkota Integrated Systems management will conduct an audit of the tool construction. A fit and finish review will also be conducted with Dakkota Integrated Systems customer(s) to determine the production readiness of the tool. If all aspects of these reviews indicate an acceptable tool was built Dakkota Integrated Systems will signoff and accept the tool under the terms and conditions set forth in the Dakkota Integrated Systems Purchase Order.

During the **Tool Construction Audit**, Dakkota Integrated Systems management will produce a check sheet that will indicate the items to be verified specific to each tool.

If the supplier is unable to demonstrate the production readiness of the tool within an agreed amount of trial parts, the supplier will agree to absorb the cost of any additional materials required to obtain **Production Ready Tool approval**.

The supplier is responsible for notifying Dakkota Integrated Systems Project Management Representative of any slippage in timing as soon as possible. The Dakkota Integrated Systems Project Management Representative may at that time request a written plan, which indicates how the slippage may be avoided. This may include premium time at the supplier's expense if anything out of Dakkota Integrated Systems control or that of its customer causes the slippage.

PURCHASE ORDERS

No change in price or delivery date of tooling covered by Operating Division purchase order may be made unless approved in writing by the appropriate Project Management Representative, Program Manager, and/or purchasing agent.

The operating division purchase orders will provide the price and delivery date of tool.

Any change to the purchase order will be made by the use of a change order PO through the operating division Engineering Change System.

The supplier agrees that payment of such tooling does not constitute approval of that tooling. The supplier must provide tooling that conforms to operating division specifications as outlined in the purchase order.

GENERAL CONTRACTUAL REQUIREMENTS
STANDARD OF WORKMANSHIP

The Supplier agrees to perform work under this Statement of Requirements on time, diligently, and to the satisfaction of Buyer in an efficient and economical manner consistent with the best interests of Buyer. The Supplier shall use its best skills and judgment, and shall perform all services in accordance with the highest professional standards of workmanship. The Supplier agrees to, at no charge to Buyer, rework/replace any supplied product does not meet the standards within these requirements.

ORDER OF PRECEDENCE

The terms and conditions of the purchase order or contract, detail specifications or technical data, this Statement of Requirements, or any amendments or revisions to the foregoing, shall be construed to the extent possible as consistent and cumulative.

However, if there is any inconsistency between the provisions specified in the purchase order or contract, in detail specification and/or technical data, in this Statement of Requirements or other reference documents, the following order of precedence shall apply:

- | | |
|---------|--|
| FIRST: | Purchase Order |
| SECOND: | Statement of Requirements and all related specifications |
| THIRD: | Other documents |

PHYSICAL PROPERTIES AND HARDWARE

All tools, dies, patterns, molds, checking fixtures, vehicles, bucks, etc., covered by the purchase contract are and shall remain the sole property of Dakota Integrated Systems. The Supplier only for the purpose of fulfilling its responsibilities under the contract shall use all of the above. The Supplier shall use reasonable care in the use and handling of all of the above, and agrees to replace or, at the option of the appropriate Dakota Integrated Systems Operating Division, to pay for the cost of replacement when the need for replacement is caused by careless or negligent use by Supplier. Upon request of the buying Dakota Integrated Systems' Division, the Supplier will deliver to that division without cost all such tooling, checking fixtures, etc., or through request, destroy all or part of such tooling or checking fixtures.

OWNERSHIP OF INFORMATION

All information furnished or made available by Dakota Integrated Systems to Suppliers or to its employees or subcontractors in connection with the work and services to be performed for Dakota Integrated Systems there under shall be treated as confidential by the Supplier and its employees and subcontractors and shall not be disclosed by the Supplier, its employees and subcontractors to anyone, either in whole or in part, without Buyer's prior written consent.

The Supplier agrees that all designs, drawings, computer math data records, processes, compositions of material, specifications, software, test data, mask works, or other technical information made and furnished by Suppliers under this Statement of Requirements, shall be the sole and exclusive property Dakota Integrated Systems and Suppliers shall protect same against disclosure to third parties.

Ownership of all information and/or property must be maintained at all times.

DISCLOSURE & AUDIT

DISCLOSURE

The Supplier shall not make any documentary technical information furnished under this Agreement available to any third parties, except to Tier III and subcontractors in conjunction with this program, nor in any way publicize its relationship with Dakota Integrated Systems without prior approval.

RIGHT TO AUDIT

Dakota Integrated Systems Operating Division retains the right to audit or observe all data files stored on Supplier computers (including external agencies), on computer storage media (i.e., diskettes, cartridges, tapes, reports, etc.), and all data processing resources used to support Dakota Integrated Systems Program at any time with reasonable notice under normal circumstances. This includes Suppliers and/or subcontractors where the above is performed offsite. As a Supplier to Dakota Integrated Systems, where specified in the contract of Dakota Integrated Systems' OEM customer, the Supplier shall afford to Dakota Integrated Systems and/or OEM representative the right to verify product conforms to specified requirements, at the Supplier's location.

TOOLING COST DOCUMENTATION

An accounting system, in accordance with generally accepted accounting practices, must be maintained by the supplier to segregate, accumulate, and document expenditures for OEM-owned tooling. The supplier's accounting system must ensure that all eligible costs are documented adequately and include the following.

Material

Material requisitions that indicate quantities used and unit cost by Tooling Contract must be prepared. Material will be reimbursed normally at actual costs based on invoices. Material costs should be reduced for any such costs recovered from tooling authorized for disposal or for material used for prototype parts (that was purchased under a separate tooling contract).

Labor Rates and Hours

The toolmaker will complete the Production Tooling Cost Breakdown for Tools, Assembly Fixtures & Gages Form. The labor rate quoted on the Tooling Cost Breakdown Form shall include all overhead costs and profit associated with the design and manufacture of special tooling shall be included in the Tooling Cost Breakdown Form. The labor rate will be reviewed by the Tool Analysis group for reasonableness before the issuance of the Tooling Contract.

Subcontracted Work

All work subcontracted to tooling sub suppliers must be supported by at least a tooling contract, invoice, and proof of payment (including a waiver of claim or lien from the sub-supplier).

If tooling is obtained through or by a supplier-owned subsidiary or affiliate (50%+ supplier ownership), those costs will be regarded as "in-house" costs and subject to verification.

Supplier Billings

The supplier's invoice for tooling costs incurred should reflect the Tooling Contract amount, or the actual costs incurred, whichever is less. At no time should the supplier's invoice exceed the amount of the Tooling Contract. If a discrepancy exists with your tooling contract amount, consult your Buyer prior to invoicing.

TOOLING AUDITS

All tooling contracts are subject to audit. In the event the operating division and/or OEM audits the supplier's tooling cost, it will be necessary to make available supporting documents as spelled out in the "Requirements for Tool Review" guidelines. This documentation will be required to verify the actual and reasonable costs associated with the Tooling Contract(s) and amendments selected for audit.

AUDIT REQUIREMENTS

Audit Reviews may include review of, at a minimum, the following documents:

- Production Tooling Cost Breakdown For Tools, Assembly Fixtures & Gages
- Tooling Expenditures Summary
- Casting Tool Cost Breakdown Form.
- Plastic Tool Cost Breakdown Form
- Metal Stamping Tool Cost Breakdown Form
- Tooling Cost Line-Up
- Back up Line Item Detail, as necessary, (associated sub-tier invoices, quotes, and payables, etc)

EXCHANGE RATES

Dakota Integrated Systems Operating Division reserves the right to pay for goods and services provided from outside of the United States in any of the following two ways:

- Fixed US (\$) Dollars
- Fixed currency of the country of origin to US (\$) Dollars

Dakota Integrated Systems Management must approve any other arrangement.

COOPERATION

Supplier shall cooperate in good faith with Dakota Integrated Systems' and take no adverse action against Dakota Integrated Systems, in connection Dakota Integrated Systems defense of any claim, action or proceeding, involving a person, entity or government body, allegedly based on discrepancies in Dakota Integrated Systems products. Such cooperation shall include (i) supplying factual and technical information as Supplier shall possess that Dakota Integrated Systems may reasonably require in connection with any such defense, (ii) making available persons employed by the supplier to testify as fact or expert witnesses at trial and in deposition in connection with such claim, action or proceeding, and providing such information as may be required by Dakota Integrated Systems to respond to discovery proceedings in any such claim, action or proceeding.

PROGRAM COSTING/QUOTING

The Dakota Integrated Systems Platform/Program Team requires a complete "Open Book" costing environment. Suppliers will provide tooling / fixture breakdowns, Dakota Integrated Systems provided format. Supplier will make available, back-up detail for line-item costs. Dakota Integrated Systems retains the right to audit all cost variables as they relate to material, labor, burden (fixed / variable), SGA, and profit.

Cost impact associated with a Dakota Integrated Systems or OEM driven engineering change will be negotiated on a case-by-case basis. Additionally, costs associated to a part or sub-assembly tooling issue are the responsibility of the source. This also includes any additional engineering/design or testing costs incurred due to source error at any time in the program.

ENGINEERING CHANGES

The **Dakota Integrated Systems** Platform/Program team will immediately notify the supplier in writing of program changes and changes in vehicle design that will alter the requirements specified in this RFQ package.

Engineering change inquiries and direction will be communicated through: (a) an RFQ package along with revisions to this statement of requirements or (b) an RFQ package accompanied by Dakota Integrated Systems Automotive - Interiors standard product/process change and release notice.

A log of engineering changes is to be maintained by the Supplier. The log is to be part specific and track cost impacts and tooling increases/decreases and is subject to audit by the Dakota Integrated Systems Platform/Program Team when requested. Product/process change and release notices are an extension of this statement of requirements.

The Supplier shall immediately notify the appropriate Dakota Integrated Systems Platform/Program Team of technical problems/events/new information/program changes/etc. that could result in increase or decrease in costs or delays in attainment of program milestones, schedules, or delivery dates.

Proposed additional costs and supporting information must be submitted in writing to the Buyer for consideration. Approval must be obtained prior to incorporation of the changes necessitating the additional costs. Delays in schedules and deliveries must be negotiated with the appropriate Dakota Integrated Systems Platform/Program Team. This SOR will be amended to reflect the agreed upon changes.

DELIVERY

All tooling is FOB Dakota Integrated Systems facility. Prior to transportation, the assigned Dakota Integrated Systems Management Representative must give "OK to Ship" approval at the supplier's location."OK to Ship approval will be given by the Project Management Representative after the tooling certification and initial tooling construction audit are verified. "Delivery" includes transportation, rigging, and installation on Dakota Integrated Systems plant floor.

WARRANTY AND SERVICEABILITY

All tooling will be warranted (parts, labor, and travel) to Dakota Integrated Systems facility for a minimum of (1) year after Production Readiness Tool Approval. Supplier agrees to service the tooling not less than (10) years after delivery. Replacement parts and replacement part pricing will be negotiated by the assigned Dakota Integrated Systems Management Representative, prior to delivery. Replacement parts must be available under expedite circumstances within 24 hours of notification. Supplier will submit a Bill of Material based on replacement part list with pricing to the Dakota Integrated Systems Project Management Representative prior to delivery.

SAFETY STANDARDS

Suppliers of tooling are required to meet or exceed the safety standards call for the operating division's General Specification for Machinery and Equipment.

CANCELLATION

In the unlikely event on contract cancellation unrelated to supplier or subcontractor responsibility, Dakota Integrated Systems Management assumes mutually agreed incremental expenses associated with material and labor. Documented backup for material and labor is required.

Special Note: Deviations from the specifications are to be documented on a separate sheet of paper and attached to the supplier's quote package at time of submission.

Revision Level	Revision Date	Description	Authorized by
Initial	10/13/05	Initial release	Vargas

SOR ACKNOWLEDGMENT SHEET

Please retain a copy of this sheet in your Statement of Requirement (SOR) and return an original signed copy, indicating that you have received, reviewed and accepted in principle the contents of this SOR. All communications with respect to the contents of this SOR are to be addressed initially to the purchasing activity at Dakota Integrated Systems operating division. This is a controlled document and revisions will be sent to the name indicated.

Supplier Contact Information:

Supplier Name

Address

City

State

Zip Code

Telephone

Fax

E-mail

Supplier:

Authorized Signature: _____

Name and Title: _____

Date Signed: _____

Dakota Integrated Systems:

Authorized Signature: _____

Name and Title: _____

Date Signed: _____