



Standard Motor Products, Inc.

Important Supplier Information

Standard Motor Products-Independence management believes that the first step in supplying Quality products to customers is to have World-Class suppliers. It is necessary that SMP-I develop supply lines whereby SMP-I receives defect free products and materials, delivered on time, at a fair price. Doing anything less, results in SMP-I being at a disadvantage in the Market Place.

Experience dictates that when supplier quality spills occur, SMP-I must react to take care of customers. In order for SMP-I to properly service customers and prevent backorders or lost sales, SMP-I will when necessary (**sometimes without prior notice or permission from the supplier**) invoke one or more of the following:

- **Suppliers** shall be liable for reimbursement for screening or rework of defective product.
- **Suppliers** shall be liable for travel to a SMP-I facility, at the supplier's expense, to resolve quality issues and or screen or rework supplied product at SMP-I to keep the production line going. (urgent response situations)
- **Suppliers** shall be liable to take defective product back at the supplier's expense.
- **Suppliers** shall be liable for expedited replacement product and or pay for premium freight to restore quality product flow.
- **Suppliers** shall be debited for premium freight incurred to service an SMP-I customer as a result of supplier nonconforming products or materials.
- **Suppliers** shall attend 8-D or value engineering meetings at a SMP-I facility when requested.
- **Suppliers** shall be debited for all costs incurred as a result of supplier quality issues. These will include but are not limited to administrative costs, SMP-I customer incurred costs, recall, freight, rework, screening, receiving inspection and expediting.
- **Suppliers** shall be debited for unusual procurement costs associated with replacing defective supplied materials when purchasing from an alternate source is required.

Performance at less than a World Class Standard, for any reason including supplier quality issues, results in customer dissatisfaction, lost sales and the door being closed to opportunities for new or additional business. The penalty for SMP-I is far too great to ignore. In today's business environment there is always someone else who is willing and capable of servicing our customer.

To review the SMP-I "Supplier Manual" & "Terms and Conditions" see the SMP-I supplier internet web portal at: www.smpoe.com

Click On: Independence, Ks.

Click On: Quality (Pull Down)

Click On: Supplier Quality Login