



Supplier Guide



NAME: TRICO Supplier Guide

PURPOSE: The purpose of this document is to communicate TRICO's requirements with respect to the quality management system of those companies that supply production goods and/or services to Trico.

REVISION HISTORY:

<u>REVISION</u>	<u>CHANGE DESCRIPTION</u>	<u>DATE</u>
A	Initial Release	October 9, 2009
B	Update certification number in Section 1. Add section 8, 9, 10 Wording added in section 5.2.3	March 01, 2010
C	Wording added in section 5.5	November 16, 2010
D	Wording added in Scope, and Reference and attachments, Section 8 added to procedure	June 21, 2013
E	Wording added to section 7	January 07, 2014
F	Wording removed in section 1	February 12, 2014
	Deletion of wording in section 5.4.1, Wording added to section 5.5.	
G	<i>Titles revised, Addition in References and Attachments, wording added in section 5.2.3, removal of wording in section 1</i>	<i>February 09, 2016</i>

DISTRIBUTION:**Document Control, PQM****WRITTEN BY: Gabriel Flores****APPROVERS:*****Director of North America Manufacturing Operations******Director of Purchasing*****Plant Manager - Matamoros****Plant Manager - Brownsville****Director of Quality****Quality Manager**

THIS IS AN UNCONTROLLED COPY OF AN AUTHORIZED DOCUMENT. CONTROLLED COPIES ARE AVAILABLE THROUGH THE CENTRAL DOCUMENT CONTROL DEPARTMENT. THE USER IS RESPONSIBLE FOR ENSURING HE/SHE HAS THE LATEST AUTHORIZED VERSION PRIOR TO USING FOR REFERENCE AND/OR TRAINING.

UNCONTROLLED COPIES ARE TO BE USED FOR REFERENCE AND/OR TRAINING ONLY.

SCOPE: The details stipulated within this Supplier Guide are the minimum mandatory requirements for “approved” production (including aftermarket) goods and service suppliers to Trico Products Inc., its subsidiaries and affiliates, irrespective of their location globally.

Trico Products is committed to providing on time, quality products and services that meet our customers’ needs and requires a commitment from our suppliers to provide the same to us.

This Agreement is an integral part of the delivery agreement with TRICO. It shall apply correspondingly to the business relation between the SUPPLIER and TRICO. The subject of this Agreement is for products delivered by the SUPPLIER.

This Quality Assurance Agreement consists of mandatory requirements for the SUPPLIER:

1. Suppliers Quality System Requirements
2. Sub-Suppliers Quality Management System
3. Quality System Audits
4. Information and Documentation
5. Product History Documentation
6. Quality Targets
7. Environmental Protection and Work Conditions
8. Conflict Minerals
9. Gratuities
10. Supplier Visits
11. Mexican Work Permits
12. Final Terms

REFERENCES AND ATTACHMENTS:

All documents are specifically referenced in the latest Authorized Version

All certifications achieved and maintained by Trico

Supplier Label Compliance Requirements referenced in TSN

IEN-CI-P104S	Packaging Specification
SQE-C-P014	Corrective Action Requirements
PUR-C-P012	Supplier Approval and Disapproval
SQE-C-P013	Supplier Production Part Approval
PUR-C-P044	Identification of Pre-PPAP Approval Parts
PPAP	AIAG latest rev.
	Capacity-R-R-Prod Verification
APQP	AIAG latest rev.
CQI-9	Heat Treating Processes
CQI-11	Plating Processes
CQI-12	Coating Processes
CQI-15	Welding Processes
CQI-17	Soldering Processes
CQI-23	Molding Processes

REQUIRED MATERIALS:

N/A

REQUIRED EQUIPMENT:

TSN, Computer access

RESPONSIBILITIES:**1 Supplier's Quality Management System**

The SUPPLIER agrees to use the principles set forth in the latest revision of ISO /TS 16949 as the basis for their quality system. Suppliers must have and maintain a current ISO 9001 certification at minimum. Suppliers are responsible for the quality of the parts as shipped to TRICO. This includes conformance of raw materials as well as meeting specifications for dimensions, function, cleanliness, and packaging with the obligation to set a zero-defect goal and to continuously improve his performance.

2 Sub-supplier's Quality Management System

The SUPPLIER also agrees to require *their* sub-suppliers to introduce and maintain a quality management system based on the International Standards ISO 9000 with the obligation also for sub-suppliers to also set a zero-defect goal and to continuously improve their performance.

TRICO may demand documented evidence from the SUPPLIER showing the effectiveness of the quality management system utilized by *their* sub-suppliers.

Trico reserves the right to visit sub-suppliers. In the event quality problems should arise, the SUPPLIER shall enable TRICO to conduct an audit at *their* sub-suppliers.

3 Audits

The SUPPLIER shall authorize TRICO to determine through audits whether *their* quality assurance activities meet the requirements of TRICO. Self-Audits will be required from Suppliers *when they fail to meet or maintain minimum rating consistently*.

After advance notification, an audit can be conducted as a system, process or product audit. The SUPPLIER shall support all audits, even short-term audit date requests.

The SUPPLIER shall grant TRICO – and its customers, to the extent necessary – access to all plant areas, test departments, warehouses and adjoining areas, as well as access to quality-relevant documents. Reasonable restrictions imposed by the SUPPLIER to safeguard business secrets will be accepted.

TRICO shall communicate the result of this audit to the SUPPLIER. If TRICO considers corrective actions to be needed, then the SUPPLIER agrees to immediately prepare an action plan and implement it on schedule. The SUPPLIER shall notify TRICO of all progress made.

4 Information and Documentation

If it becomes evident that agreements reached such as quality characteristics, schedules or delivered quantities cannot be met, the SUPPLIER shall notify TRICO immediately. The SUPPLIER shall also notify TRICO immediately of any deviations detected after delivery. To support a rapid solution, the SUPPLIER shall disclose all necessary data and facts.

The SUPPLIER agrees to seek approval of TRICO **prior to**;

- changing the production methods, sequence and materials (also at sub-suppliers)
- changing of sub-suppliers
- changing test methods/equipment
- relocating production sites
- relocating production equipment at the same site and any other change as listed on AIAG Manual or specified in Customer requirements.

The SUPPLIER agrees to furnish the quality documentation agreed upon.

The Supplier shall request approval through Trico Supplier Network (SREA)

The first three deliveries to each TRICO site after SOP and after changes listed above must be identified in the delivery papers/package slips. Reference packaging specification detail (IEN-CI-P104) and supplier labeling compliance located in TSN site.

All changes made to the product and in the process chain shall be documented by the SUPPLIER in a product history, and shall be submitted to TRICO upon request.

The SUPPLIER must have procedures for control of documents and data, and shall implement them effectively. This includes documents of external origin, such as standards and customer drawings, to the extent needed.

Documents must be retained for at least 7 years. Documents with special archiving must be retained for at least 15 years.

Records of incoming inspection (concerning purchased parts and other raw materials from sub suppliers), reliability and endurance testing, end of line testing and defect analysis, if applicable, must be retained by the SUPPLIER at least 24 months. The SUPPLIER shall grant TRICO the right to inspect records upon request. In individual cases, TRICO may require a longer retention period.

5 Agreements on Product History Documentation

5.1 APQP Development, Planning and Release

If the order placed with the SUPPLIER includes development tasks, the requirements shall be set forth in writing by the signing parties to the Agreement, e.g. in the form of specifications. The SUPPLIER agrees to conduct project management starting with the planning phase of products, processes and other

cross functional tasks in the form of quality management plans, and to grant TRICO the right of inspection upon request.

Suppliers are required to generate an Advanced Product Quality Plan in accordance with the AIAG APQP reference manual for review by the relevant Commodity Manager and SQE. The timeline must meet PPAP timing requirements.

This plan shall include, but is not limited to:

- a) Notification of risks that affect product integrity or the project plan.
- b) Implementation of error-proofing (poke-yoke) to achieve Zero Defects to Trico.
- c) Identification of changes needed to product or process specifications.

During contract review, the SUPPLIER shall examine all technical documentation, such as specifications, drawings, parts lists, CAD data, for feasibility upon receipt; the SUPPLIER shall notify TRICO promptly of any defects and risks as well as improvement possibilities identified.

During the development phase the SUPPLIER shall apply suitable preventive methods of quality planning, such as a manufacturing feasibility analysis, reliability studies, FMEA, etc. The SUPPLIER shall take into account experience (process flows, process data, capability studies, etc.) from similar projects.

5.1.1 Special Characteristics

Characteristics with special archiving requirements shall be determined by TRICO.

Special Characteristics are any product or process characteristics that affect safety or compliance with regulations, fit, function, performance or subsequent processing of product.

In accordance with the requirements of ISO/TS-16949, Special Characteristics shall be identified and specifically addressed in the DFMEA, PFMEA, Control Plans, Process Flows, Work Instructions and other associated documents. Trico designated Special Characteristics are identified on drawings/specifications or in a separate document (through TSN) that cross-references these characteristics to the drawings/specifications.

Suppliers are responsible to fully understand the usage of their product and also identify Special Characteristics, as appropriate. This includes “black box” suppliers. Suppliers are also responsible for ensuring that relevant Special Characteristics are explained, understood and controlled by their sub-suppliers.

For all characteristics the SUPPLIER shall perform process planning (work plans, test plans, operating supplies, tooling, machinery, etc.). For function and process critical characteristics the SUPPLIER shall review the

suitability of the manufacturing facilities according to statistical criteria and shall document the results. Product quality is monitored with periodic audits. Customer specific requirements determined by Trico shall be identified on the control plan. These may include, annual layouts, pass thru characteristics and CQI9 heat treat requirements. IMDS and REACH compliance requirements shall be documented on PPAP warrant as specified.

5.1.2 Prototypes and Preproduction parts

The SUPPLIER shall coordinate and document the manufacturing and test conditions with TRICO for prototypes and pre-production parts. The goal is to build prototypes and preproduction parts under conditions similar to mass production.

5.1.3 PPAP

Prior to starting mass production, the SUPPLIER shall submit initial samples of the product built under mass production conditions in agreed quantities and on schedule. Mass production may not be started until it is released by TRICO.

All production part/*material* sample submissions shall be in accordance with the AIAG PPAP manual requirements as stipulated by the Trico Supplier Quality Engineer or receiving site Quality department. Level 3 PPAP, supplied electronically through TSN, is the default submission level unless otherwise agreed upon with the relevant receiving site Quality department.

Supplier PPAP packages shall include all (internal and sub-supplier) PSWs at a minimum and may require additional PPAP documentation as per the receiving site Quality department.

PPAPs shall be submitted to Trico Quality department through TSN and any associated PPAP sample parts shall be clearly labeled as such. Reference identification of pre-PPAP parts in procedure PUR-C-P044.

Full or interim approved PPAP is required prior to shipping parts/*material* to Trico Products for production. Any production shipments received by Trico prior to obtaining PPAP approval will be rejected and require certification. Any exceptions must be documented and approved on a Trico SREA.

5.1.4 Unauthorized changes to Approved Product and Processes

Suppliers and sub-suppliers are not to make any unauthorized changes to a product (e.g., material, component, subassembly, etc.) or the process used to produce a product that has been previously PPAP and approved by Trico.

Trico notification and submission requirements are clearly outlined in Section I.3 of the AIAG PPAP manual. Trico Quality representative shall be notified of intentions to change a product or process prior to making any changes. The supplier must submit a Supplier Request for Engineering Approval for all product or process change. Supplier must have received written authorization to proceed with the change from Trico's Quality department prior to change implementation.

Any such change made without prior written approval by Trico would not only constitute a breach of our purchase order terms and conditions, but would also be a serious breach of standard automotive practice. Suppliers who do not adhere to this requirement will be held responsible for all damages, losses and liabilities attributable to any unapproved change made by you or one of your suppliers (e.g., customer rejections, customer line stoppage penalty fees, field failures costs, warranty expense). In addition the supplier may be placed on New Business Hold until the systemic issue is addressed.

5.1.5 Annual Re-qualification

Unless waived in writing by Trico, the supplier shall inspect and test annually a sample of each active product supplied to assure conformance to all Trico's specified requirements (e.g. dimensional, material and performance). These inspection requirements shall be included in the supplier's production control plan. Material testing shall be carried out by a qualified laboratory. Annual validation documentation shall be on file at the supplier and available to Trico upon request. If a nonconformance is found during the annual validation, the supplier must notify the Trico using plant quality department immediately so that appropriate action can be determined and implemented.

Whenever Trico is required to submit PPAP to their customer, suppliers with PPAP documentation over one year old may be required to re-PPAP as directed by the Trico Quality department.

5.2 Mass Production, Product Identification, Traceability and Tooling/Gauging

5.2.1 Disruptions

In the case of process disruptions and quality deviations, the SUPPLIER shall analyze the causes, shall initiate improvement measures and review their effectiveness.

If, in exceptional cases, the SUPPLIER is unable to supply products conforming to the specification, he must obtain a concession from TRICO prior to delivery *through an SREA*.

The SUPPLIER agrees to implement comments and ideas from TRICO to improve product quality by modifying production and quality assurance activities, to the extent possible.

5.2.2 Product ID

The SUPPLIER agrees to identify the products, parts and the packaging in accordance with agreements reached with TRICO. He must ensure that identification of the packaged products will also remain legible during shipping and storage. Reference supplier labeling compliance and packaging requirements, (IEN-CI-P104) in reference section.

The SUPPLIER agrees to ensure the traceability of the products supplied by *them*. Measures must be instituted to ensure that if a defect is detected, the defective parts/products/batches, etc., are traceable and contained.

5.2.3 Customer Tooling/equipment

If TRICO makes production and test equipment available to the SUPPLIER, especially equipment and fixtures related to deliveries then they must be labeled as TRICO property. The SUPPLIER is responsible for protecting this property from damage and ensuring proper function, maintenance and repair. Tooling (dies, patterns, molds, special tooling) and gauging shall be permanently marked with a unique serial number and company name so that the ownership of each item can be easily identified. Returnable containers shall be permanently marked with the company name of ownership. Marking must meet customer requirements unless waived in writing by TRICO. Customer tooling requirements are found in TSN.

The supplier shall establish preventive/predictive maintenance procedures on all tooling. Evidence of procedure execution shall be made available upon request. Preventive/predictive maintenance schedules and tool history records shall be documented and available for review.

Information imparted to the supplier, including but not limited to descriptions, drawings and technical documents in all forms of media, and any intellectual property rights therein, handed over to the supplier by Trico are and shall remain the property of Trico. The information must not be used, copied or reproduced by the supplier for any purpose outside of the tool order. The tool order does not create any right or license either expressed or implied for the Supplier to use the information for any purpose outside of the tool order. The information must not be handed over to or brought to the attention of any third party unless Trico has given its prior written approval.

No tooling shall be sold or consigned to another entity without proper notification and written consent from Trico. In such cases, or in case of tooling relocation to an alternate location or facility, it is the supplier's

responsibility to contact Trico regarding potential re-PPAP requirements prior to moving the tool.

5.3 Delivery, Incoming Inspection

5.3.1 Delivery

Routing instructions will be provided by TRICO for all suppliers who ship under TRICO paid freight terms. All shipments shall be made by normal mode at the prescribed ship window time unless otherwise specified by TRICO.

The SUPPLIER will pay supplier caused premium transportation. Suppliers will use authorized carriers for all modes of transportation. Excess transportation costs incurred, as a result of using incorrect carriers, will be debited from the supplier's account.

Premium freight to be paid by TRICO shall have an assigned Authorization for Excess Transportation Cost (AETC) issued by the receiving location and appearing on the bill of lading.

The SUPPLIER shall deliver products in suitable shipping containers – approved by TRICO if this was agreed – in order to prevent damage and quality impairments, e.g. contamination, corrosion, chemical reactions.

5.3.2 Incoming Inspection

TRICO shall exercise its right to incoming inspection which may include and not limited to externally apparent shipping damage and confirmation of the quantity and part number of the ordered products, at least according to the shipping paperwork. Discrepancies are reported without delay. Incoming inspection may also include characteristics found in the specification.

The SUPPLIER must adapt his quality management system and his quality assurance activities to this incoming inspection.

The SUPPLIER must certify all shipments of product meet specifications to customer print specifications. Non certified product sent to Trico will require certification by approved sort vendor. Rejects will impact PPM metric. In the event that supplier finds non-conforming product has left their facility Trico should be alerted. Proactive sorts will not impact PPM however all costs must be incurred by supplier.

In the event an alert is raised at IQC due to a customer complaint, QCR etc. Product not certified for this specific alert will also be forwarded to Approved sort vendor for certification. Refer to section 5.4 Note: All QCR, PPAP & PTR parts must include the inspection reports with shipments attention IQC.

5.4 Complaints, Corrective Actions

The delivered products are inspected by TRICO in the normal course of business, and the SUPPLIER shall be notified promptly via a Quality Communication Report (QCR) of any defects detected in the process. *The supplier will waive objections to delays in notification for any defects found during normal production timing.* Each QCR will automatically incur a debit cost of \$500.00 dollars. This debit charge can only be waived by SQE.

The SUPPLIER then analyzes the defects without delay, with support from TRICO to the extent necessary and possible.

Agreed quantities of the defective parts/*material* shall be returned to the SUPPLIER. He agrees to analyze each deviation and to notify TRICO promptly of the cause of the deviation, initiated corrective and preventive measures, as well as their effectiveness.

An automatic processing of a debit to the SUPPLIER account will be issued for QCR's with a total value of less than \$500.

If the supply of components/*materials* not conforming to specifications should threaten to cause a production interruption at TRICO or its customers, the SUPPLIER, in consultation with TRICO, must seek a remedy through suitable immediate actions for which the SUPPLIER is responsible (substitute deliveries, sorting, rework, special shifts, rush shipment, etc.).

If appropriate, TRICO may formally place a SUPPLIER on Controlled Shipping. The intent of the Controlled Shipping is to implement a rigorous process that protects TRICO from the receipt of non conforming parts and/or material. Controlled Shipping is a formal demand by TRICO for a SUPPLIER to put in place an additional inspection process to sort for nonconforming material while implementing root cause analysis and corrective actions. The Controlled Shipping process is in addition to normal controls. The data obtained from the Controlled Shipping inspection process is critical as both a measure of the effectiveness of the containment process and the corrective actions taken to eliminate the initial nonconformance.

5.4.1 Escalation Process

An escalation process will be used in the event that Quality communications are not responded to by Supplier. This 3 step escalation process starts with Step 1 and escalates to Step 3. It is in the interest of all parties to come to agreement prior to escalation process.

The 3 step escalation process will start if Normal 8D process is not met by Supplier.

Normal 8D Process. The supplier is required to submit a formal 8D through TSN when the 8D is requested. At a minimum, this corrective action shall identify the problem, the immediate containment that have been

implemented to assure nonconforming product is not shipped to Trico, and the potential root cause(s) of the problem.

For non-conformances related to Customer Concerns or which cause a major disruption (e.g., stop shipment, line shutdown, yard holds), an action plan is required immediately after notification. In no instance should the action plan be delayed more than 24 hours.

A completed (8D) shall be submitted no later than fifteen (15) calendar days after receipt of the nonconformance report, unless otherwise specified by Trico.

Costs and charges incurred by Trico associated with shipping, handling, processing, reworking, inspecting, engineering verification and replacing supplier responsible defective material including the costs of value-added operations prior to its discovery are the responsibility of the supplier.

Escalation Step 1—Working meeting In the event the Supplier does not address the Supplier Issue as outlined in normal process, a working meeting will be mandatory. A working meeting is a Trico plant led activity to address specific supplier performance issues not resolved in a timely fashion at Step 1. Working meetings focus on the development of an action plan to prevent or eliminate the root cause of the issue. The supplier is expected to submit periodic updates until the issue is resolved.

Escalation Step 2 – Incoming Quality (IQ) Meeting

An IQ meeting is a Trico plant led activity to address supplier performance issues not resolved in a timely fashion at Step 2. The purpose of the IQ Meeting is to identify, and mutually agree to, all actions required for the permanent resolution of the systemic and particular issues that led to the Supplier's unsatisfactory performance. The supplier shall come prepared to address the following:

- Summary of QCR events relating to the Supplier's performance concerns.
- Completed Problem Solving Report (8D) including containment actions, root cause analysis, corrective action and verification data and status.
- Preventive action plans and status to address systemic root cause(s)
- Strategic improvement plans

At the IQ meeting, Trico and the Supplier must agree on the Exit Criteria. In addition, action plans that exceed 90 days duration may require supplier justification and may warrant interim IQ meeting reviews. The supplier is expected to submit periodic updates until the issue is resolved.

Escalation Step 3 – Executive IQ Meeting

An Executive IQ meeting is a corporate led activity involving the Executive Management of both Trico and the supplier. The meeting addresses issues not resolved in a timely fashion during Step 2.

The supplier may be prohibited from bidding on new business and/or may be in jeopardy of losing current business at this stage of the 3 Step process. Suppliers who do not show improvement within 3 months of Executive IQ

Meeting are automatically placed on New Business Hold. Suppliers who are placed on New Business Hold must remain in tolerance for six consecutive months in order to be removed from New Business Hold.

Trico may request an extra audit from the supplier's registrar in cases of on-going performance issues. The cost of the audit will be the responsibility of the supplier.

5.5 Supplier Monitoring

TRICO will track supplier quality and delivery performance with the goal of achieving zero defects and 100% on time delivery. The Supplier Cost Improvement Proposal (SCIP) module consists of plus10 points in the overall rating and is designed to incentivize suppliers to reach the preferred (green) level.

The data is calculated into an overall score for the supplier, for which 100 is a perfect score.

90-100 points = Green Supplier = Preferred

70-89 points = Yellow Supplier = Acceptable

Less than 69 points = Red Supplier = Developmental

Note: in the event that supplier rates red consecutively escalation step 3 process will be required.

TRICO expects all suppliers to achieve and maintain a yellow rating status on their scorecards at minimum. In the event the scorecard is not yellow, the SUPPLIER is required to establish aggressive plans to drive improvement.

6 Quality Targets

The SUPPLIER is committed in the same way as TRICO towards its customers to the zero-defect goal in business with TRICO. If the zero-defect goal is not attainable in the short term, TRICO, together with the SUPPLIER, shall set temporary upper limits for defect rates as an interim goal. The SUPPLIER shall propose and agree with TRICO on improvement actions. If the defect rate is below the upper limit, this does not release the SUPPLIER from his responsibility to process all complaints and to proceed with continuous improvement activities.

The SUPPLIER's liability for defects or compensation claims due to defective deliveries is not affected *by any temporary agreements that are put in place.*

7 Environmental Protection and Work Conditions

The SUPPLIER commits himself to comply with all legal regulations regarding the environment, health and occupational safety, and to strive to avoid all negative effects on humans and environment by an adequate organization and realization of environmental protection in the company. For this, the implementation and further development of an Environmental Management System (EMS) according to ISO 14001 is *preferred.*

TRICO reserves the right to assess the level of implementation in the course of audits.

Trico is committed to ensuring that the people making our products and components or providing us with services are treated with dignity and respect. We believe that workers are more likely to be effective and productive when they are afforded decent working conditions. Our alignment with suppliers on these principles is essential.

Trico views compliance with local laws as an unquestionable element of corporate responsibility and expects that suppliers be in compliance with ethics laws and regulations. In addition, we require suppliers to comply with certain minimum protections for all employees that may, in some instances, exceed standards set by local law. These protections are as follows:

- Child Labor: The supplier will not employ any person below the age of 15, unless this is part of a government-authorized job training or apprenticeship program that would be clearly beneficial to the persons participating.
- Forced Labor: The supplier will not use forced labor, regardless of its form.
- Physically Abusive Disciplinary Practices: The supplier will not tolerate physically abusive disciplinary practices.

8 Conflict Minerals

It is Trico policy to make reasonable efforts: a) to know, and to require each Trico supplier to disclose to the Company, the sources of Conflict Minerals use in its products; and b) to eliminate procurement, as soon as commercially practicable, of products containing Conflict Minerals obtained from sources that fund or support inhumane treatment in the Covered Countries (Democratic Republic of Congo (DRC) or an adjoining country). The term “conflict minerals” is defined as columbite-tantalite (coltan), cassiterite, gold, wolframite, tantalum, tin, tungsten and any other mineral or its derivatives determined by U.S. Secretary of State to be financing conflict in the DRC or an adjoin country.

Trico Suppliers are required to assist the Company to comply with the disclosure requirements of Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, and the rules of the U.S. Securities and Exchange Commission promulgated pursuant to that law, as well as any related laws and rules. The rules require manufacturers who file certain reports with the U.S. Securities and Exchange Commission to disclose whether the products they manufacture or contract to manufacture contain “conflict minerals necessary to the functionality or production” of those products, that directly or indirectly finance or benefit armed groups in the DRC or an adjoin country.

9 Gratuities

Trico policy prohibits employees from accepting or giving gratuities or hospitality of any kind. This includes use of property or facilities, gift certificates or favors extended to Trico employees or their families. Our policy on gifts, entertainment and other gratuities emphasizes our determination to conduct business based on the

superior value of the goods and services we purchase from our suppliers. It is the intent that each employee conduct Trico business with integrity. Our policy is global in scope and application and applies to all employees whether or not they are directly involved in purchasing activities.

10 Supplier Visits

Trico requests that suppliers direct all communications through our purchasing organization. An appointment can be made with your established purchasing contact. Prospective suppliers are encouraged to provide literature and/or reports to introduce their company and products prior to the initial contact with purchasing.

11 Mexican Work Permits

Every supplier, customer or visitor, who is a non-resident of Mexico, is required to obtain a FMN (temporary work permit) or a FM3 (regular work permit) before entering Trico Componentes in Matamoros, Mexico. Visitors to the Matamoros Plant who do not have a FMN or FM3 will not be allowed access into Trico Componentes. Any supplier, customer or visitor working in Mexico without FMN or FM3 permit may be denied entry into Mexico, or, if caught could be fined, jailed, and/or deported by Mexican authorities.

The FMN can be obtained at the New Gateway Bridge at the Immigration office in Mexico (open 24 hours, 7 days a week) or from the Mexican Consulate, 7th St. and Elizabeth, Brownsville, Texas or from a Mexican Consulate in another state.

The FMN permit is valid for 180 days and you are allowed only 2 FMN permits annually. The FMN must be returned before the expiration date. You must return it to Mexican Immigration at the bridge before you leave Mexico.

If you do not turn the FMN in before 30 days, YOU, not Trico, are subject to a fine for up to N\$800.. You may also be barred from any future entry into Mexico.

12 Final Terms

Modifications and additions to this Agreement must be made in writing.

If terms of this Agreement should be entirely or partially invalid, then the applicability of the remaining terms is not affected; in this case, the partners will agree on applicable terms that as closely as possible fulfill the commercial intent of the invalid terms. This also applies accordingly to possible omissions.