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Updated sheet			
Ed.	Objet de la dernière modification	Date	Approbateur
01	Transformation of the purchases manual to DIA01	12/2007	Quality Resp.
02	General update	11/2008	Quality Resp.
03	Actualization	02/2009	Quality Resp.
04	Mail address updated	12/2013	Quality Resp.
05	DIA01 becomes DI3A	02/2018	Quality Resp.
06	Update § 6.12 : Obligation to apply RBA Code of Conduct, REACH, CLP and RoHS regulations.	09/2020	Quality Resp.

Supplier's name	
Date and supplier's signature	
Date and Diehl Augé Découpage's signature	

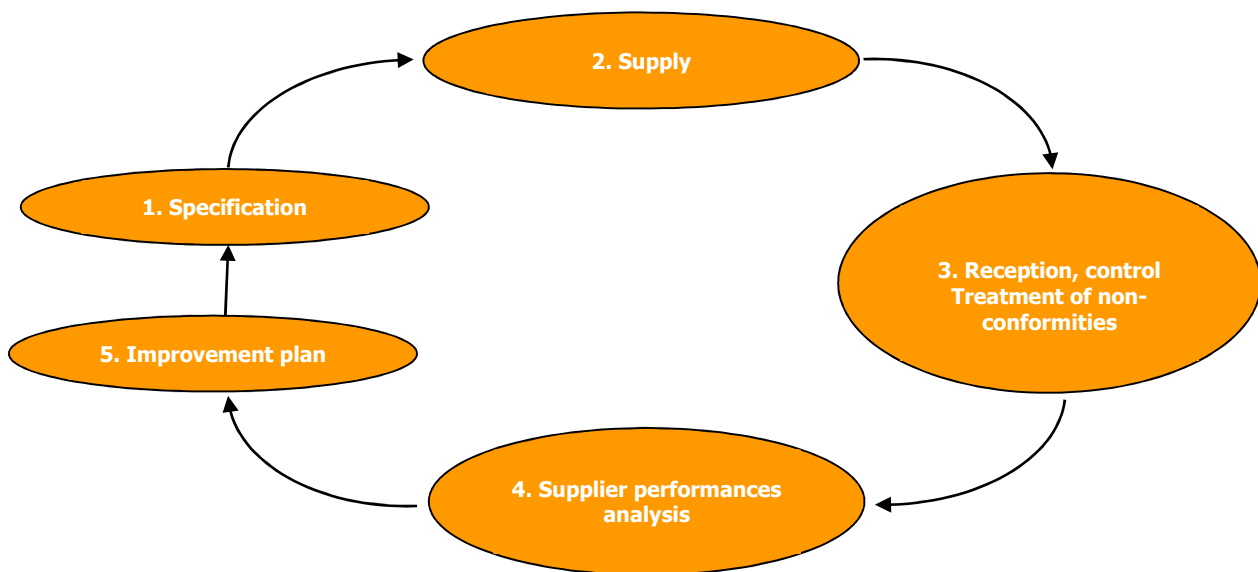
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1. OBJECTIVE AND FIELD OF APPLICATION

This Purchasing Quality Manual specifies the modality to be respected for the orders of exterior supplies by the company Diehl Augé Découpage for the raw material and components.

The main purpose is to define and formalize the relationship between the company Diehl Augé Découpage and its suppliers, with the aim to minimize the risks of dysfunction between the respective interlocutors of the different trades involved in our relations.

It is part of the continuous improvement process that Diehl Augé Découpage develops internally and externally.



2. PURCHASING POLICY

Diehl Augé Découpage aims to develop a partnership with its suppliers in order to constantly improve the assistance provided to its customers. Indeed, the nature and reliability of the products purchased directly affect the quality of our products.

Diehl Augé Découpage and its suppliers must work together in all their activities in order to develop a process of a continuous improvement.

Diehl Augé Découpage considers it crucial that our suppliers implement the following steps:

- The quality norms certification ISO 9001 or IATF 16949,
- A quality policy aiming at controlling the processes,
- A logistics policy aiming at 100% deliveries on time,
- The respect of current regulation and the prohibited substances,
- A quarterly progress report of current action plans.

The development of all these approaches must be reflected in the implementation of relevant indicators in the various processes identified by the supplier.

This purchasing manual includes the Diehl Augé Découpage's requirements, it forms the basis of our business relations and therefore it is included in the purchase contract.

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3. PURCHASING PROCESS

N°	PROCESSUS	DONNEE DE SORTIE
1	Definition of the specifications	<ul style="list-style-type: none"> The case record completed by the project department
2	Suppliers consultation	<ul style="list-style-type: none"> Tender of the raw material Tender material plating Material's specifications
3	Selection of the supplier	<ul style="list-style-type: none"> Chosen by the project department and the purchaser
4	Samples orders	<ul style="list-style-type: none"> Diehl Augé Découpage's order with reference to the specifications : DT03, DIA05, DIA06, DIA07 Sample submission certificate S242.
5	Homologation of the material	<ul style="list-style-type: none"> Presentation of a sampling file according to the elements requested on the sample submission certificate S242
6	Series order	<ul style="list-style-type: none"> CLOSED or OPEN order Diehl Augé Découpage with reference to specifications
7	Supply Diehl Augé Découpage: <ul style="list-style-type: none"> Strategic material, High volume material, Various material 	<ul style="list-style-type: none"> Supply requests Weekly situations Monthly situations
8	Material Reception	<ul style="list-style-type: none"> Control and analysis of the measurement report from the provider
9	Performance Monitoring	<ul style="list-style-type: none"> Quality / Cost and Time Schedule Indicators

At any time, the supplier can ask the purchasing department for a copy of the technical specifications and specifics instructions.

4. SPECIFICS REQUIREMENTS

4.1. Requirements related to the product or service

The specifics material requirements are mentioned in the followed documents:

- DI3E : Generals conditions of delivery with squares pallets
- DI3F : Generals conditions of delivery with circulars pallets
- DI3G : Raw material's marking
- DT03 : Raw material's specifications

4.2. Requirements related to the samples' presentation

Diehl Augé Découpage asks the samples' presentation:

- In case of a new material's development or modifications of the existing material,
- In case of a modification of the supplier's control plan,
- In case of a supplier's change.

A file for the samples presentation has to be in joined to each samples' delivery.

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It has to include all the required files on the certificate of submission (S242), and at least:

- The certificate of submission (S242)
- A record of measurements of the profile and the thicknesses, and this for each roll
- The monitoring plan
- A representative sample (in the delivery and identified by « sample » on the packaging)

The submission certificate S242 is joined to the samples' order.

The samples will be ratified after the reception of the samples' presentation file and after the validation by Diehl Augé Découpage of three deliveries of conformed material.

4.3. Series requirements

In quality terms, the supplier must provide to Diehl Augé Découpage:

- For each receipt, a certificate of conformity and a measurement record of the parameters quoted in the DT03 specification.
- For each receipt of a report of non-conformity, an answer within the required time: acknowledgment of receipt and 3D report (with risk analysis of the parts delivered, in stock and in production) within two working days and 8D report within ten working days).
- Once a year (in January), a record of the previous year's exceptional transport costs related to delivery delays at Diehl Augé Découpage.

In terms of deadlines and quantities, the supplier must guarantee the respect of the deadlines and the quantities indicated on the orders of Diehl Augé Découpage. In case of any variation, the supplier must inform the buyer within 24 hours after the identification of the incidence and put in place all the necessary actions to correct them.

In terms of prices, the supplier has to concentrate his efforts on the permanent research of productivity gains which allows for both of us to stay competitive and develop together a productivity/Progress plan.

5. PERFORMANCE MONITORING

5.1. Non-conformities

Each non-conformity has to be registered in minutes. Minutes should be send by e-mail to the supplier's quality department by the Diehl Augé Découpage quality department.

Each non-conformity has to be followed by an action plan with a format 8D by the supplier.

The asked answering delays are presented in the chapter 4.3.

Each non-conformity following the reception of a non-conformed raw material has an impact on the supplier notation which is made by Diehl Augé Découpage.

All costs related to non-conformity are subject to acceptance between the supplier and Diehl Augé Découpage (for sorting, reworking or miscellaneous expenses incurred):

- The material is debited to the supplier at the purchase price,
- The personnel costs for sorting and reworking will generate a debit note,
- Exceptional transport costs to our customers (express delivery, aircraft...), caused by supplier non-conformity will generate of a debit note.

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5.2. Supplier evaluation

Diehl Augé Découpage follows its suppliers through the evaluation of their performances in:

- Quality Possible
- Delivery
- Service
- Environmental respect
- Behavior towards Diehl Augé Découpage
- Efficiency of an action plan for the previous evaluation.

An annual evaluation is sent to all our suppliers.

6. GENERAL CONDITIONS OF PURCHASES

6.1. Orders: acceptance and agreement

An order will be considered as definitive and contractual over reception by Diehl Augé Découpage (the purchaser) of an acknowledgment of the order from the seller, in written and sent by e-mail or EDI (depending on the accepted system by both parts).

Unless otherwise agreed in a written agreement signed by the buyer, the acceptance of these general conditions of purchases apply to all types (hereinafter referred to as "products") notwithstanding any stipulation to the contrary of the general conditions of sale, of the seller who expressly renounce it.

The purchaser will have the right to cancel its order, without penalty, if the seller didn't send order acknowledgement in the next 5 days of the order's date. The order acknowledgement has to be conformed to the Diehl Augé Découpage's order. No notification on the acknowledgment of receipt by the seller modifying, amending or contradicting the order or any of these general conditions of purchase will be taken into account.

In case of impossibility for the seller to satisfy the integrality of the DAD's order, the seller will contact the purchaser to negotiate a possibility of change. An order with the denomination "Price to be defined" will be available only when the purchaser accepts in written said "price to be defined".

6.2. Price, billing and payment

The applicable price is the one mentioned in the order of the buyer or the one which results from the formulas of calculation of prices stipulated in the order. The price is always definite and can't be revised, indexed or adjusted due to currency fluctuations.

Except otherwise stipulated, the price includes packaging costs as well as any other cost, risk or charge related to the execution of the order. No additional cost, of any nature, will be accepted, except with the prior written agreement of the buyer specially indicated on the order form.

The seller must deliver and invoice the products subject to the buyer's order in accordance with the billing schedule defined in the order. Invoices must bear the number or reference of the order, the quantities and description of the products supplied, the date and reference of the delivery note, the detailed prices, and any necessary relevant document must be attached. Unless otherwise stipulated the buyer's order, the seller will issue an invoice per purchase order.

Invoices not complying with the stipulations mentioned above must be considered by the buyer as invalid and will be returned to the Seller.

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Unless otherwise stipulated in the order, invoices will be payable at sixty days net, date of invoice providing that it is consistent with the delivery date. For import products, in order to facilitate customs formalities, the country of origin and the obligatory price list position must appear on the invoice.

6.3. Packaging and delivery

Unless otherwise stated, the following 2010 Incoterms will apply:

Family "D" Arrival: DAP (Delivery at Place, destination established).

Except for specific packaging required by the Buyer on the order, the Seller has to deliver the Products properly packed, taking into account the nature of the Products and the precautions to be taken in order to protect against inclement weather, corrosion, loading accidents, transportation and storage conditions, vibration or shocks etc...

In all cases, the Products must be sealed, packaged, marked, and generally prepared for shipping:

- conform to commercial usage,
- acceptable by carriers for expedition at the lowest cost,
- Adapted to ensure the arrival in good condition of the Products at destination.

In case the seller has to realize a specific packaging, this one has to be realized with the buyer's instructions or agreement.

The seller has to mark all the packaging and container with all necessary instructions for uprising, manipulating and transport, by identifying and marking clearly the articles which needs a special care, storage and/or conditions of a special transport, and indicating all precautions to be taken.

The seller has to label each package and/or container with the shipping information, the buyer's order number, the date of shipment, the respective names and addresses of the shipper and the consignee.

The seller shall be held as the only responsible for any damage to the products, or any additional expense, caused by an incorrect or inappropriate packaging, marking or labeling, unless if the damage or expense is the consequence of the special packing or marking instructions provided in written by the buyer.

During the delivery of the products, the seller has to provide a delivery hole in two copies stating:

- The name of the seller
- Date and complete reference of the purchase order
- A detailed description of the products
- The total number of packages in the shipment
- The identification of the gross and net weight of each parcel.

6.4. Time schedule and late delivery

Time schedule and delivery date are indicated on the order. The seller's acceptance of the order implies its irrevocable commitment to respect deadlines and delivery dates defined as such.

The delivery times and dates indicated in the order are essential and can't be changed without a written agreement signed by both parties.

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Advanced delivery are not permitted, except otherwise has been approved in written by the buyer. In all cases, the seller will not have a bonus for an anticipated delivery.

The seller has to promptly inform the buyer (according to the timing defined in chapter 4.3) in writing, about the detailed circumstances of any event that may delay the order execution, without being able to aim, such way, for a delivery delay.

The seller has to make all reasonable efforts to minimize delays in delivery and the consequences of such delays. In case of non-respect of the delivery date, except in case of force majeure, the buyer will have the right to cancel the order without the seller being entitled to any compensation or indemnity and without prejudice of the buyer's rights to claim compensation for damages, losses or damages caused by the delay:

- If the scheduled delivery comes too late compared to the needs
- If any delay has not been previously notified in writing to the buyer.

6.5. Modifications and substitutions

The buyer will have the right to change the order, without this modification can in any way nullify or invalidate the order. The seller will then have to inform quickly the buyer of any change of price or schedule resulting from the buyer's requests and these changes must be agreed in writing by the parties through an amendment to the order or in a new order signed by both parties.

Except previous written agreement from the buyer, the seller is not authorized neither to execute nor to purpose any modification or substitution of supplies nor deliver products not conformed to the initial order of the buyer.

6.6. Execution, inspection and refusal of products

The seller admits that during the order execution, the buyer can access the seller's premises to monitor the lead process or to give some special instructions, and to control and/or test the ordered products, using the test and control method of the seller's manufacture. The conditions and modalities of these inspections have to be agreed previously by the parties. This inspection will not affect the limit of the seller's responsibilities.

The buyer has the right to refuse products not conformed to the order, specifications or previous indications. The refusal of products will have to be notified quickly to the seller by fax or e-mail confirmed by registered letter.

The seller must take back at its charges the delivered and refused products by the buyer within ten working days from the date of reception of the refusal's notification. After ten days, the buyer will return the products to the seller at the charges of this one.

Any advanced payment by the buyer allowing a discount cannot bring acceptance of the products by the buyer.

The non-refusal of the products can't be invoked to limit the guarantees defined in article 6.9 here below.

6.7. Surplus

The buyer accepts to pay only the ordered quantities, subject to the provisions of the Article 5.5. Any surplus will be held at the seller's risk and charges for a period which cannot exceed ten (10) days from the date of delivery. If at the end of this period, the seller has not taken back the products or sent any instructions for shipping at its charges, the buyer will return products exceeding the quantities ordered to the seller at the risk and charge of this one.

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6.8. Transfer of risk and ownership

Unless otherwise stated by the parties, the ownership transfer will be effective during the delivery of the products in the buyer's premises or in any place decided by the parties.

All ownership retention clause of the seller will be considered as non-written.

The risk transfer will be according to the 2010 Incoterms applicable for the order. If no 2010 Incoterms is applicable or in the absence of any indication, the risk transfer will take place at the same time than the property transfer.

6.9. Garantees

Unless otherwise stated by the parties, the seller guarantees, for the period of twelve months (12), that the provided products:

- Are conformed with all specifications, drawings, conception plans or any other informations provided by the seller (whatever the format), or provided by the buyer and approved by the seller, or accepted in writing by both parties, with all the indications mentioned on the buyer's purchase order.
- Are carefully manufactured and exempted from defects in design, lead or function and are in accordance with the use made by the buyer
- Are loyal quality and market value.

It is understood that the seller is responsible for the supply of all the parts necessary for the right functioning of the operations, including when this is not expressly required by the Buyer.

During the warranty period, the buyer has to notify the seller in writing of any defect or malfunction of the Products and the Seller shall, without delay and at its expenses, either replace or repair the Products, or correct the defect or malfunction.

The seller shall grant a new warranty period of twelve (12) months after each replacement, repair or correction effected during the warranty period, from the day the replacement, repair or correction has been satisfactory and successfully completed.

If the seller doesn't comply with its obligation of replacement, repair or correction of the defect or dysfunction, the buyer will have the right, at its sole discretion:

- to replace, repair or correct himself and at the seller's all costs
- to replace, repair or correct through a third party and at the seller's all costs
- To obtain from the seller the full refund at the purchase price of the defected product or with a dysfunction.

The seller acknowledges that the guarantees specified above are in addition to the legal warranties and these expressly granted by the seller, other than those set forth herein, as well as any other warranties, expressed or implied, applicable to the respective order. These warranties remain valid notwithstanding any inspection, test, acceptance or payment made by the buyer, or any cancellation or agreement by the buyer related to orders.

The seller has to subscribe to an assurance company which is well known as solvable, a policy that permit to compensate the buyer if the products provided by the seller vitiate the buyer's production.

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Moreover, the seller is engaged to compensate the buyer for the following expenses (non-exhaustive list) directly or indirectly issued from this claim or action:

- Legal fees and expenses,
- Expert fees and expenses,
- Cost of control and sorting of defective parts,
- Travel expenses of the buyer's personnel related to the incident,
- Expenses for call back of parts,
- Any damage, loss or damage suffered. (material and immaterial).

6.10. Intellectual or industrial property

The seller guarantees that the provided products don't infringe any patent, license, drawings, copyright, right on masks or any other intellectual property rights of a third party. The seller declares that he holds all rights to use, manufacture and sell the products and that the buyer will have the right to use and resell the products.

The seller agrees to defend the buyer against any reclamation or action of infringement of intellectual or industrial property rights belonging to a third party, to pay all the fees engaged by the buyer to defend himself against any reclamation or action, including a reasonable amount covering attorney's and expert's fees, and to compensate the buyer for any damage and/or loss suffered by the buyer arising directly or indirectly from this claim or action.

6.11. Property and confidentiality of the informations

Every drawings, plan, equipment, prototype, forecast, files, data, or any other material and/or informations:

- Provided by the buyer, or
- Provided by the seller but paid by the buyer as part of the price of the products, shall be considered as confidential information belonging exclusively to the buyer.

The seller accepts to consider as strictly confidential any material and/or information belonging to the buyer disclosed for the needs, and to prevent any communication or disclosing of material or information to the third party without a previous written agreement from the buyer.

Any written or oral communication or any publication concerning the order or its content cannot be done without the previous written consent of the buyer.

6.12. Environment

It is the seller's responsibility to be conform to the applicable laws and regulations about environment. More specifically, it falls to the Seller, as much as needed, to comply with the European regulation on the Limitation of certain Dangerous Substances (LSD Directive) and the management of Electrical and Electronic Equipment (WEEE Directive). The seller has to correspond to all complementary environmental standard which will be communicated by DIEHL AUGÉ DECOUPAGE.

For each product the Seller is in every respect obligated to adhere to the requirements and obligations of the RBA Code of Conduct (<http://www.responsiblebusiness.org/code-of-conduct/>) the REACH Regulation of the EU (VO (EU) No. 1907/2006 of December 18, 2006), the CLP Regulation of the EU (VO (EU) No. 1272/2008 of December 16, 2008) and the RoHS Regulation of the EU (RL 2002/95/EU of January 27, 2003) as amended from time to time (including the respective alterations and amendments to these acts of law and, insofar as already effected, their transformation/implementation into national law by the EU member states).

At Buyer's request, the Seller shall issue corresponding written product-specific declarations of conformity which shall also be valid for our customers and can be passed on to them.

DIEHL AUGÉ DECOUPAGE reserves the right to require conformity to ISO 14001 standards.

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6.13.Seller's personnel (Ethics and working regulations)

The seller's personnel carries out its activity under the full and entire responsibility of the latter, which insures, consequently, its product and/or exploitation and/or professional public liability. The seller undertakes to provide all the updated certificates established by its insurers, at the first request of DIEHL AUGÉ DECOUPAGE.

The seller confirms that the services will be performed by employees regularly employed under articles L143.3, L341.2, L211.1, L415.3 and L620.3 of the Labor Code. The seller undertakes to provide, upon request of the buyer, the documents provided for this purpose by the labor code (Kbis and URSSAF certificate).

6.14.Jurisdiction attribution

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Contracts are governed by French law. In the event of a contest, the parties will seek for a conciliation, possibly through their respective professional organizations. In case this conciliation is impossible, the contest will be submitted to the TRIBUNAL OF BESANCON.