

**SUPPLIER QUALITY ASSURANCE MANUAL
FOR PARTS AND RAW MATERIALS**

**** QUALITY ASSURANCE SUPPORT ACTIVITIES FOR TRIAL AND MASS PRODUCTION ****

**SECTION 41 - NON-CONFORMING PARTS: QUALITY FAILURE NOTICE
(QFN)/ QUALITY FAILURE ANSWER (QFA)**

PURPOSE: To inform the Supplier of nonconforming parts/material (manufacturing, workmanship, packaging, etc.) which requires implementation of countermeasures and corrective actions. Additionally, communications may be made to the Supplier on the issue of nonconformance through monthly reports to Suppliers.

SCOPE: This procedure applies to Quality Failures of production parts and raw materials detected at DENSO's Receiving Inspection, In-process, at Final Inspection, and at DENSO's Customer.

EXPLANATION:

This procedure applies to Quality Failures detected at DENSO's Receiving Inspection, In-process, at Final Inspection, and at DENSO's customer.

SUPPLIER RESPONSIBILITIES:

1. Quality Failure Notices will be issued for non-conforming parts or raw material found at DENSO.

The Quality Failure Notice will have a ranking of either:

- A for the Supplier nonconformance causing a Customer Return/ Warranty/ Line Shutdown (or other situations as deemed appropriate).
- B for the Supplier nonconformance causing an In-Process problem.
- C for the Supplier nonconformance causing a Abnormality/ Complaint Information.

2. Initial Reponse:

Some QFNs may have the "Initial Response Required" box checked. If so, then the following must be provided to DENSO within 24 hours:

- a. Confirmation of defect mode
- b. In-House sorting results
- c. Containment actions
- d. Temporary countermeasure

3. Countermeasures:

- A. The Supplier should take immediate corrective actions for the parts or raw material at the Supplier's facility and at DENSO. The Supplier must inform

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DENSO if any suspect parts are potentially in-transit to DENSO.

- B. Certified shipments may be required by DENSO QA/QC until permanent corrective actions have been implemented.
- C. The Supplier is required to assist in sorting inventory at DENSO when requested by DENSO QA/QC. If DENSO is required to rework/sort any non-conforming parts or product at DENSO or DENSO's Customer, DENSO may charge the Supplier for this rework/sort activity (Reference Section 5 - Supplier Use of Temporary Service Workers at DENSO).
- C. If any part is found to be non-conforming, the Supplier is responsible for repairing or replacing the part. Rework of such part may be required at DENSO and at the Supplier. Before any rework is begun, the rework and marking methods must be approved by DENSO QA/QC Engineering.

An initial response (with a plan, if applicable) should be received by the due date on the QFN.

4. Corrective Actions Reporting:

- A. The form used for reporting is optional. The Quality Failure Answer Sheet is included in this SQA Manual as a guideline for response. Other examples of report format are 7-D Analysis, 8-D Analysis, etc.
- B. Regardless of the report format, the response to the Quality Failure Notice response must include the following:
 - 1.) Part Number, Part Name, Supplier Name.
 - 2.) DENSO's Reference Number from the Quality Failure Notice.
 - 3.) Initial Actions taken at the Supplier, including sort results, rework results and mark used for certified shipments, sorting/rework completion date (as applicable).
 - 4.) Supplier's Investigation Details, including a confirmation of the defect mode and of the detection of the defect before corrective actions have taken place, along with any other steps taken to investigate the problem.
 - 5.) Root Cause(s) for the defect and for the non-detection.
 - 6.) Corrective Actions for the root cause and for the non-detection including implementation date for each corrective action.
 - 7.) Standardization of process documentation, indicating documentation

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affected and implementation date; if no standardization, explain reason(s).

8.) Review of similar parts or processes that may be affected by the same defect mode or non-detection, including implementation date(s) for corrective actions; explain details of corrective actions or reasons no corrective action(s) needed.

C. The Supplier's Quality Assurance Manager must approve the response. The Supplier may decide any other appropriate signatures. If the response is electronic, the Supplier must be able to provide a signed physical copy upon request.

D. The response should be sent to DENSO QA/QC by the Due Date listed on the Quality Failure Notice, whether or not the permanent corrective actions have been determined.

1) If the response is not a final response (lacking permanent corrective actions), the Supplier should indicate it is an initial response. It is not necessary for an initial response to include each item in 3B above.

2) Temporary corrective actions must be reported, along with a scheduled date for permanent corrective actions to be reported.

3) The Supplier should follow up with DENSO QA/QC and report permanent corrective actions as scheduled.

NOTE: If the Supplier finds defective part(s) at their facility, the Supplier must inform DENSO QA/QC of the potential for this problem to escape to DENSO.

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