IMDS GUIDELINES FOR SUPPLIERS

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Process owner / Department	**Approver Management System**	**Approver Board of Directors**	**Date**
Olga Marin/ Material Compliance		-	25.01.2017
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-	-		
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1. PURPOSE

This standard functions to achieve efficient, timely, current, and accurate reporting and management of product compliance data. VC wants to ensure that suppliers structure their product compliance reporting processes in such a way, so that it is in line with VC quality requirements and data can be utilized to verify relevant legal and customer specific compliance requirements.

IMDS is a part of the VC supplier PPAP and as it is described in our VC standard contracts, it is compulsory for the supplier to provide IMDS reporting free of charge.

2. SCOPE

This standard applies to all suppliers of direct materials and their respective products supplied to all sites of Vibracoustic facilities worldwide. This standard is not applicable for inter-company supplied products.

This OPI is for external use.

3. TERMS / DEFINITIONS / ABBREVIATIONS

3.1 Definitions

- **International Material Data System**

International Material Data System is a web-based tool of the automotive industry, utilized to communicate material composition data of products, in form of Material Data Sheets along the supply chain. The intended use of the data is in large to verify as well as manage product compliance, with regard to legal and/or customer specific restricted or prohibited substance requirements. The use of the system is free for members of the respective supply chain, who can register their company and access the system via www.mdsystem.com .

- **Material Data Sheet**

Material Data Sheets describe products in their end state, as they will be contained in the finished vehicle. MDSs depict detailed material content as well as structure of supplied products.

- **Products**

Products as defined for this standard are all assemblies, components, semi-finished components, and materials supplied to VC and its customers.

- **IMDS Rules & Recommendations**

IMDS rules and recommendations describe the procedures as well as requirements that govern the use of IMDS and are identified with a three digit number and in some case an alphanumeric extension (i.e. 001 or 001a). Current and previously valid versions of recommendations can be found via the help menu after logging into the IMDS.

- **Restricted Substances**

- Substances, which are either prohibited, or their use and/or applications are restricted due to legal and/or customer specific requirements.

- **Customer Specific Requirements**

- These are requirements, which are in addition to general requirements and are specific to VC and/or customers of VC.

- **Carry Over Products**

- These are products, which were intended and utilized in previous projects that are utilized again for new or different projects.

- **Bailment Products**

- These are materials and/or components utilized in the production of supplier products, which are either directly or indirectly supplied to the supplier by VC.

3.2 Abbreviations

IMDS	-	International Material Data System
MDS	-	Material Data Sheets
REC	-	IMDS Rules and Recommendations
RS	-	Restricted Substances
CSR	-	Customer Specific Requirements
COP	-	Carry Over Products
APQP	-	Advanced Product Quality Planning
PPAP	-	Production Part Approval Process
SQA	-	Supplier Quality Assurance
VDA		Verein der Deutschen Automobilindustrie (German Association of the Automotive Industry)
SC	-	IMDS Steering Committee, ILI Metals, Stahl und Eisen Liste, CAMDS
CAMDS	-	China Automotive Data System
CM	-	Conflict Minerals

4. PROCESS / METHOD / PROCEDURE

4.1 General IMDS Process

In addition to the material compliance reporting requirements described here, suppliers are required to adhere to all IMDS processes detailed in IMDS recommendations, legal and/or customer specific requirements. A detailed description of IMDS process requirements can be found in IMDS.

4.2 IMDS Account Settings

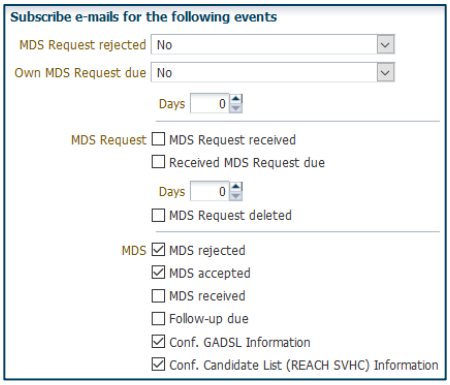
4.2.1 IMDS & REACH Contact Person

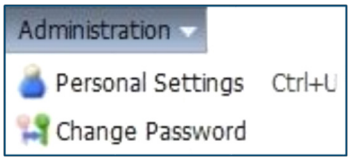
Any IMDS user should have current/correct contact information for IMDS and REACh contact(s) registered in IMDS, as these are utilized by VC ~~staff~~ IMDS team to contact suppliers about submitted MDSs.

It is strongly recommended by VC to take an official IMDS training before starting to operate in IMDS. Any company submitting information in IMDS is liable for it and this information is likely to be used as an evidence of material compliance.

4.2.2 User Notification Settings

In order to receive automated notification about the status of MDS submissions to VC, relevant information about GADSL and/or REACh-SVHC substances, users have to activate the corresponding check box in "Personal Settings" of the user account.





User account settings should be set for each IMDS user, who submits product compliance data to VC.

4.3 MDS Submission Requirements

4.3.1 Time of MDS Submission

All suppliers are required to submit MDSs for all products supplied to VC as soon as possible, but no later than PPAP.
An MDS, which has been verified and accepted by VC staff, may be required prior to submitting PPAP documents to VC. Suppliers need to allow sufficient time for submission loops, due to possible MDS rejections by VC staff.
Published MDSs are not valid for PPAP documents, unless authorized by VC-SQA in advance and corresponding MDSs have been verified for correctness by VC staff. MDSs published by the IMDS Steering Committee are exempt from this restriction.

4.3.2 MDS Structure and Content

Suppliers are required to submit MDSs which depict the physical structure and content of their respective products supplied to VC (i.e. components, semi-finished components, materials, assemblies).

All MDSs will be submitted to our global Vibracoustic account ID 148270.

4.3.2.1 MDS Content

It is imperative that suppliers do not create MDS content for sub-suppliers, as the data creator bares sole responsibility for legal and CSR RS requirements.

Source: IMDS REC 001

Rule/Guideline	Description
Rule 3.1.A	Material data must be passed along the supply chain (tier^{n} ➔ tier^{n-1} ➔ … ➔ automobile manufacturer).

4.3.2.2 Materials

For materials with VDA -and corresponding IMDS- classifications 1-4, MDSs published by the IMDS-SC must be used. For modified standard materials in classifications 1 to 3, materials must contain following remarks:

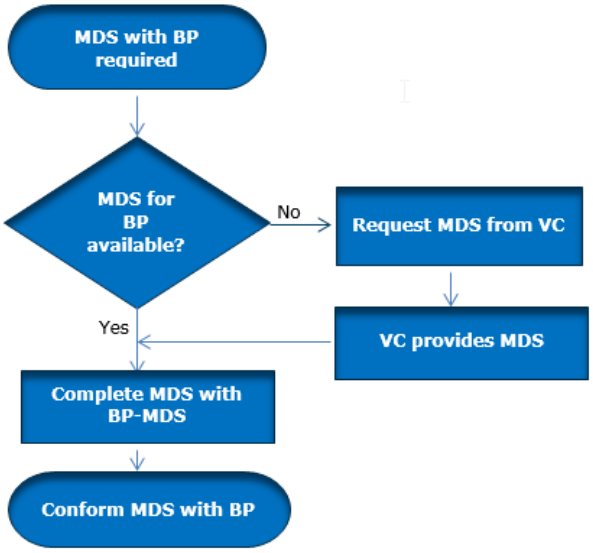
- ”mod.“ or „modified“ as part of the standard material number
- the specification in ”norms / standards” (i.e DIN, EN, SAE, GB, JIS etc.)

Material names must be according to REC 001 as well as Annex I Recommendation 001a, therefore material names of classifications 5-5.X must reflect their respective nomenclature.

4.3.2.3 Bailment Products

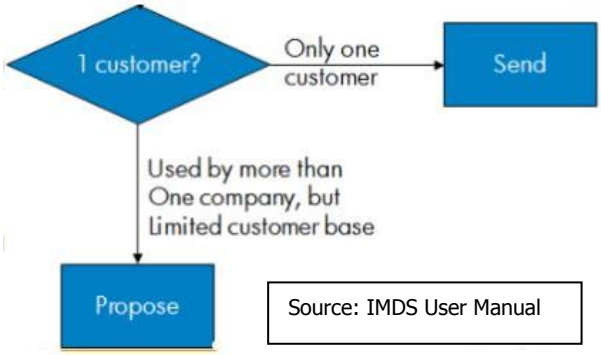
Suppliers that utilize materials and/or components in their products, which are either directly or indirectly supplied by VC to the supplier, must include those into their MDS.

In case that VC delivers materials to the supplier, we will also deliver IMDS information that the supplier can use in their own submission to VC.



4.3.3 Send vs. Propose

Suppliers should always utilize the send function of IMDS when submitting MDSs to VC, so the integrity of MDS versions according to change managements throughout the product life cycle can be ensured. Propose may only be utilized for identical products supplied to more than just VC.



Source: IMDS User Manual

4.3.4 Rejected MDSs

Rejected MDSs must be corrected according to rejection reasons of VC IMDS team and re-submitted to VC within 5 days, by editing the rejected MDS ID and version.

4.3.5 Change Management

Suppliers are required to maintain submitted MDSs according to change management requirements specified in Recommendation 001 as well as special requests by VC and update content when required.

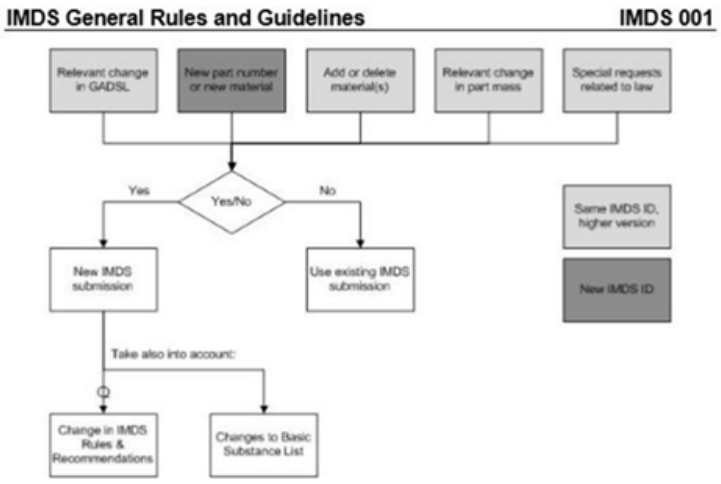


Figure 1 – Change Management Flow

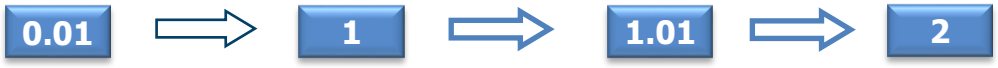
Source: IMDS REC 001

4.3.5.1 Change Management COP

In such cases where supplier products are utilized as COPs by VC, an updated version of previously submitted MDSs may be required, so that material compliance with current legal requirements and CSR can be assured.

4.3.5.2 MDS Version Control

The MDS version system serves to document material compliance throughout the product life cycle. Therefore, new versions of previously submitted MDSs should only be submitted according to change management requirements specified in REC 001, or as requested by VC, and must reflect physical changes to products.



4.4 CAMDS

As VC serves a number of customers in China, material compliance reporting may also be required in CAMDS. All processes described in this standard also apply for reporting in CAMDS, so long as they do not stand in conflict with CAMDS terms of use.

4.5 Additional Product Compliance Reporting

Some legal and CSR may require reporting in additional tools and or formats (i.e. CM reporting)

4.6 Non Compliance

In case that the supplier is not able to provide a compliant IMDS entry or that a material compliance violation is found in the IMDS information submitted to VC, escalation in the Vibracoustic organization will be initiated as follows:

- Level 1: Supplier MC Meeting (including an action plan)
- Level 2: MC-Support (VC/external support required to solve issues. All costs charged to supplier)
- New Business Hold (NBH)

The supplier shall submit the action plan three business working days in advance so that all participants can be prepared for the meeting. As part of the action plan the supplier will be asked to take an official IMDS training and provide with evidence to VC in the period of the next three months.

In addition IMDS compliance is tracked in our Supplier Management Data Base. The supplier will be tagged as IMDS non-compliant and this information will be taken into account for the next supplier evaluation process.

5. RESPONSIBILITIES

List the actions and responsibilities according to the RACI* chart logic, including level of responsibility.

* **R**esponsible: Process owner, responsible to carry out the business process (implementation, execution)
Accountable: Approver, responsible for the result of the business process (objectives, design, monitoring)
Consulted: Experts; two-way communication
Informed: Persons that need to be kept up-to-date; one-way communication

Task /Function	VC MD	Supplier	VC IMDS team	SCM	MCM
Create IMDS entries for VC products			R		C, A
Create Rubber Compounds in IMDs	R, A		I		C
Create supplier components in IMDS		R	I	A	C

Approval supplier entries in IMDS	C	I	R,A	I	C

6. APPENDIX / ENCLOSURE

Additional information, notes, examples and forms which have to be used can be listed in the appendix.

No.	Type of Document	Title/Description	Enclosure

7. FURTHER REFERENCE DOCUMENTS

7.1 Valid Supporting Documents

- General terms and conditions of ~~VC~~ purchase.
- Scheduling Agreement with VC
- GP_01_7.4_0007_Quality Assurance Measures for Procurement of Purchased Parts
- GP-01-7.4-0009_Logistics Requirements for Suppliers"
- Framework Agreement
- FO_01_7.4_0056_Supplier Self-Assessment

7.2 Additional Information

- GADSL (Global Automotive Declarable Substance List; http://www.gadsl.org)
- all IMDS Recommendations
- ISO 1043 (Plastics – Symbols and abbreviated terms)
- ISO 1629 (Rubbers and lattices – Nomenclature)
- ISO 18064 (Thermoplastic elastomers – Nomenclature and abbreviated terms)
- ISO 9000 (Quality management systems – Fundamentals and vocabulary)
- VDA Vol. 2 (Quality management in the automotive industry – Quality assurance of supplies)
- VDA 231-106 (Material classification in motor vehicle construction – structure and nomenclature)
- other material-related international standards
- other OEM substance standards

Please contact your SQA for questions regarding this standard

8. DOCUMENTATION

Vibracoustic will keep this procedure on file.
In case of a revision the latest edition will be kept for at least 3 years after revision.