

ISUZU COMMERCIAL TRUCK OF AMERICA INC

PROCEDURES MANUAL





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MISSION

The Purchasing Department of Isuzu Commercial Truck of America contracts for all commodities and services by maintaining procedures which foster fair and open competition; and by acquiring the greatest possible value and quality in the services and products purchased, with timely delivery, and the most economical cost.

<i>Goals</i>

Purchasing goals are to:

- Purchase at the best cost available and/or to obtain the best value in the market place for the item being purchased.
- Receive, analyze, prepare, open, and evaluate Requests for Quotations for selection of suppliers and issuance of Purchase Orders.
- Provide and offer assistance to all suppliers with regard to quote packages, researching needs, and resolving problems with orders.
- Investigate and resolve financial and accounts payable questions.

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REQUEST FOR QUOTATION

Basic Policy

- A Request for Quotation (RFQ) will be issued in the following circumstances:
 - ◊ A new part release (current and future programs)
 - ◊ A design change for an existing part
 - ◊ A change in price
 - ◊ Market test or cost investigative inquiry
 - ◊ New facility services
- The RFQ sheet itemizes the details to be considered when quoting. In submitting a quotation, it is essential that SUPPLIER/CONTRACTOR quote to the prints and specifications provided in the RFQ Sheet. However, Isuzu encourages SUPPLIER to provide alternative specifications to reduce cost or improve product quality.
- A Part RFQ is subject to the General Terms and Conditions which are enclosed with each RFQ package. SUPPLIER'S submission of a quotation or proposal in response to the RFQ constitutes SUPPLIER'S acceptance of Isuzu's General Terms and Conditions.
- A RFQ for Facility Services specifies that after a supplier is selected a contract for services will be developed jointly with CONTRACTOR.

Part Quotation Process

- ICTA Purchasing will provide the following documents to the supplier in a part quote package:
 - ◊ Cover letter
 - ◊ Part RFQ Sheet
 - ◊ General Terms and Conditions (see tab section in manual)
 - ◊ Completing Parts Request for Quotation Instruction
 - ◊ Pre-Survey Questionnaire (new supplier)
 - ◊ Part Quotation Form
 - ◊ Tooling Quotation Form
 - ◊ Production Process Charts (as required)
 - ◊ Drawings and Specifications
 - ◊ ECS/ECN (for initial production part release or design changes)
- SUPPLIER should complete the RFQ package in accordance with the General Terms and Conditions.
- SUPPLIER is welcome to recommend alternative specifications. In this case, the SUPPLIER should attach their drawing and a full explanation to the quotation. SUPPLIER is *still* required to quote to the original drawings and