

Date August 6, 2010

Dear Valued Supplier

Subject: Koyo Supplier Network (KSN)

It has been several months since our last communication regarding the captioned subject. We are pleased to advise that the KSN system will Go-Live on August 11<sup>th</sup>.

Over the past 7 months, depending if your company received a quality event, (DMR- Discrepant Material Report) or (CAR/PAR- Corrective Action Report/Preventive Action Report), the means to respond to these events was through the use of email. Suppliers were required to fill out an 8D or 3D form and return it to the plant that issued the quality event.

This process has been fully automated! The KSN system will notify suppliers through an email once a quality event is issued. Suppliers will no longer be required to complete and return the external 8D or 3D form. Instead you only need to log into the KSN system and record your 8D or 3D response on line.

Other enhancements to the KSN system:

- Suppliers will be able to respond to quality events on-line via the KSN web-site using their personal Login and Identification ID.
- Suppliers can navigate in the KSN web-site to get important information about key Koyo Torrington business processes such as:
  - Supplier Quality Manual
  - Financial Payment Guidelines
  - Transportation Guidelines

For DMRs that have already been issued, the supplier may complete the response using the previously sent 8D or 3D form.

We request suppliers to register their company by following the established link, (<https://portal.koyobearings.com/portal>), no later than September 10<sup>th</sup> 2010. This process uses a self registration system. Please follow the instructions provided in the registration section of the KSN Web-page.

If you have questions please feel free to email or call my office at 330-994-0901.

Sincerely,

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Abel Acuña  
Global Supplier Development Manager