



Quality Assurance Agreement (QAA)

between the company

GOTEC Polska Sp. z o.o.
ul. Polna 7, Komorniki
55-300 Środa Śląska, Polska
entered in the National Court Register under KRS number 0000088641, REGON:
932091136, NIP: 9131470455 amount of the share capital PLN 200,000.00
represented by:

hereinafter referred to as "GOTEC"

and the company

.....

hereinafter referred to as the "Supplier"

The QAA serves to implement a common quality management system with the aim of ensuring the quality of product development and products.

Preamble

This General Quality Assurance Agreement is the contractual definition of the technical and organisational framework conditions between GOTEC and supplier, which are necessary to achieve the agreed quality target.

It describes the minimum requirements for the contractual partners' management system and regulates the rights and obligations with regard to quality assurance for the products to be supplied.

In particular, the quality assurance agreement specifies special requirements for the production process and product release procedure.

It aims to guarantee the desired quality with a high degree of certainty and the best possible cost-benefit efficiency, whereby the zero-defect strategy forms the basis for joint action.

I. General Agreements

1. Scope of application, subject matter of the contract

This agreement defines the basic requirements for the quality and environmental management of GOTEC's suppliers. The aim is to ensure that the supplier fulfils the requirements, including the continuous improvement process in all areas of the supplier's business, in order to achieve a constantly increasing economic and qualitative success throughout the entire supply chain.

This quality assurance agreement applies to all GOTEC suppliers who supply quality-relevant products or provide quality services. This quality assurance agreement must also be applied to all subcontractors of the supplier. GOTEC can demand documented proof from the supplier that the supplier is satisfied with the effectiveness of the quality management system and environmental management system of their subcontractors and / or that the quality of their purchased parts has been ensured by other appropriate measures.

In order to take special requirements into account, specific changes can be agreed upon as an annexe to this QAA in addition.

2. Suppliers' quality management system

The supplier must **at least** have a certified quality management system for compliance with ISO 9001 by a third party accredited, e.g. PCA or other recognized **and meet the MAQMSR requirements** "Minimum Automotive Quality Management for Sub-Tier Suppliers. MAQMSR are available at www.iaftglobaloversight.org. The supplier undertakes to certify the quality management system according to IATF 16949 in the certification body having the IATF accreditation. If the Supplier does not yet have IATF 16949, he is obliged to perceive this as a goal to be achieved.

The supplier must notify GOTEC of any changes in the validity of the certificates. In addition, the supplier should meet the requirements described in the textbooks, so-called Core Tools for the automotive industry, e.g. APQP, PPAP, MSA, SPC, FMEA.

The supplier is committed to the zero-defect goal and must continuously optimise their performance accordingly.

Insofar as GOTEC provides the supplier with production and test equipment, in particular, means and facilities for the purchase of supplies, these must be included by the supplier in their quality management system such as their own production and test equipment, unless otherwise agreed.

The supplier should meet the requirements of ISO 14001. It is desirable to be certified by a third party in accordance with this standard and should be sought after. In addition, the Supplier undertakes to meet the requirements of EC RoHS Directive 2011/65 / EC and all requirements of the current EU regulation on chemicals REACH 1907/2006.

3. Supplier's environmental management system

The supplier's environmental management system should meet the requirements of ISO 14001. Certification according to this standard is desired and should be aimed at. The supplier also undertakes to comply with the requirements of the RoHS EC Directives 2011/65/EC and all requirements of the valid EU chemicals regulation REACH 1907/2006.

4. Documentation, information

The obligation to preserve documents is 10 years, for standard and verification documents with special archiving (according to VDA Volume 1 "Record keeping") 15 years after their date of issue.

Upon request, the supplier must grant GOTEC access to these documents and also hand them over to GOTEC.

The supplier must ensure that the latest quality-related documents (e. g. drawings, specifications, standards) are always used.

GOTEC and the supplier jointly ensure that communication and data exchange at all levels function perfectly. If it becomes apparent that agreements (e. g. concerning quality features, deadlines, delivery quantities) cannot be met, the supplier is obliged to inform GOTEC immediately and to inform GOTEC of this as well as of the detailed circumstances.

Likewise, the supplier shall inform GOTEC immediately of any deviations detected after delivery. In the interest of finding a solution quickly, the supplier is obliged to disclose the data and facts.

If the supplier detects an increase in deviations of the actual condition from the nominal condition of the products (quality defects), they shall immediately inform the client about this and about planned remedial measures.

The supplier shall notify GOTEC of any changes in manufacturing processes, materials or parts of suppliers for the products, relocations of production sites, changes in procedures or facilities for testing the products or other quality assurance measures in good time so that GOTEC can check whether the changes can have a detrimental effect. The obligation to notify is regulated by the sampling regulations.

All changes to the product and product-relevant changes in the process chain must be documented in a product lifecycle and handled in accordance with VDA Volume 2 "Assuring the Quality of Deliveries" or PPAP.

5. IT security

The supplier is responsible for compliance with the security-relevant rules, measures and standards, in particular for securing central data storages and archiving. The supplier undertakes to continually review their IT security standards and adapt them to current requirements.

II. Requirements for Production Process and Product Release

1. Advanced quality planning

The supplier must draw up a detailed project schedule with GOTEC and adhere to it (e. g. in accordance with VDA Volume 4 or APQP). GOTEC must be informed as early as possible in the event of imminent schedule deviations. Solutions have to be provided in order to meet the deadline. The supplier is responsible for the preparation of suitable QFD analyses, feasibility studies, zero-defect strategies, production control plans, FMEA with quality assurance and measurement concepts derived from them, for the creation of process flow diagrams, inspection plans including test equipment and gauges, concepts for equipment, maintenance and packaging planning as well as for personnel qualification etc. The supplier undertakes to use and observe new, competitive technologies and processes for development planning in consideration of technical circumstances. They contribute their experience from the beginning of the project or development.

2. FMEA and special features

In addition to the special characteristics specified in the quality-related documents (e. g. drawings), GOTEC shall, if necessary, define additional special characteristics and inform the supplier thereof. The supplier must carry out an FMEA (e. g. in accordance with VDA Volume 4 or AIAG) as part of their responsibility in order to determine the risks of their production and to define specific characteristics. Unless otherwise agreed, the following minimum requirements must be met for special features:

Process level	Process capability
Production process and product release	Cm / Cmk > 1.67
Production process and product release	Pp / Ppk > 1.67
Mass production	Cp / Cpk > 1.33

A capable serial process is present when a long-term process capability study results in a capability factor $Cpk \geq 1.33$. In the event of an incapable process ($Cpk < 1.33$), the supplier is obliged to initiate the appropriate corrective measures immediately. Until the process capability is reacquired, they must perform a 100% check. The process capability achieved must be verified.

3. Production process and product release

The production process must be designed for the zero-defect target according to the principle of "error avoidance instead of error detection". The production process and product release take place after written approval by GOTEC, if the supplier has provided proof of qualification. This means that the delivered initial sample and the accompanying documentation (e. g. according to VDA Volume 2 or PPAP incl. IMDS) must be complete and in order. Until the process is mastered and capable, measures must be initiated in coordination with GOTEC in order to ensure compliance with the requirements. The supplier must continuously check the production processes and test procedures, taking into account any problems that have arisen during the start-up and series production phase and, if necessary, install a Safe Launch Concept for this purpose. The supplier is responsible for the continual inspection and verification of the process capability for specified characteristics of in-house and externally manufactured products.

4. International Material Data System, IMDS

The supplier must, if requested during the sampling process, enter the information on the contents of the components (MDB) required by the EU End-of-Life Vehicle Directive (MDB) via the Internet into the IMDS or provide GOTEC with the necessary information.

5. Capability of the test equipment used

The supplier must prove the capability (repeatability, traceability, overall dispersion) of the test equipment used in accordance with VDA Volume 5 or MSA. method 1/2/3

6. Staff training

All employees of the supplier must be adequately qualified for their respective areas of responsibility by means of suitable training measures. The supplier must provide appropriate training records for this purpose.

7. Initial sampling documentation

7.1 Sample, prototype and pre-series parts

The contact person for the sampling scope and time of prototypes and pre-series parts/other samples is the respective project manager or responsible employee in the purchasing department. The suppliers undertake to, where required, prepare, evaluate and document, in accordance with the drawing specifications, a measurement protocol for sample, prototype and pre-series parts. The sample parts with the measuring protocol are marked accordingly and must be delivered to GOTEC.

7.2 Initial samples are necessary when:

- Product is ordered for the first time with EMPB/PPAP
- Design changes / product changes
- Tool changes / new tool settings
- Process changes
- Material changes
- Internal/external production relocations
- After changing a subcontractor
- Suspension of production > 1 year. Exceptions in procedure and scope are only permitted in consultation with GOTEC.

7.3 Serial parts (initial samples) with EMPB/PPAP

Initial samples are products manufactured and tested under production conditions (machines, plants, operating and test equipment, machining conditions).

- Production under production conditions with full utilisation of production tools.
- The test equipment used must correspond to the series standard.
- The skills (e. g. Cpk , Cgk , R&R Study, Run @ Rate) must be verified.
- Suitability of all means of transport and routes for timely and faultless delivery.

Unless otherwise agreed, 5 parts are to be documented by means of an initial sample test report. The initial samples must be delivered to GOTEC on the date indicated by GOTEC with the initial sample test report and the documents in accordance with VDA/PPAP presentation level 3 (unless otherwise agreed). A clear identification marking as the initial sample must be ensured. For the identification of the characteristics, identical numbers shall be used in the initial sample test report and in the current design to be supplied by GOTEC. GOTEC must be granted access to all documentation as required. Deviations from the GOTEC specification, which were not detected during the production process and product release, entitle GOTEC to object to them at a later date.

III. Requirements for Mass Production

1. Delivery commitment

The supplier must comply with their delivery commitment (delivery dates and quantities). If the supplier recognises that the delivery commitment cannot be met, GOTEC must be informed immediately. Corresponding solutions must be identified in order to be able to meet the delivery commitment.

2. Labelling

With regard to the marking of products, parts and packaging, the requirements agreed with GOTEC must be complied with. Marking for own process control must be approved by GOTEC. Rework must be marked and documented separately.

3. Lots (batches) Delimitation, packaging, transport

The delivered products or packaging must immediately indicate to which production lot (batch) the individual product belongs. Details shall be determined by mutual agreement between GOTEC and the supplier, including the definition of a batch.

4. Test certificate / acceptance test certificate

If agreed in writing, an acceptance test certificate in accordance with DIN EN 10204/3.1 shall be submitted for each production batch delivered, showing that the quality of the products supplied corresponds to the agreed specifications. The information on the certificate must be unambiguously related to the delivery and the delivered production batches.

5. Inspection of incoming goods GOTEC

The supplier shall ensure on their own responsibility that all goods intended for GOTEC have been inspected before delivery.

The incoming goods inspection at GOTEC refers to obvious damage to the packaging, the information on the delivery note and the packaging. A technical examination and assessment of the delivered products will then take place in the normal course of business.

Obvious defects will be reported immediately. Otherwise, GOTEC will give notice of defects to the extent that they are discovered within the scope of the normal course of business. This complaint shall be made without delay. In this respect, the supplier waives the objection of delayed notification of defects.

GOTEC assumes that the way in which the final inspection is carried out at the supplier's premises ensures that 100% "good products" are delivered. If the requirements are not met, we will charge an additional handling fee of 150. - EUR for processing the complaint with the reservation, that GOTEC is entitled to claim additional/complementary compensation in the event that the amount named above doesn't cover the damage suffered. As to the remainder GOTEC is entitled to claim compensation and other pretensions on a general basis.

6. Complaints / objections

In the event of complaints based on the results of the incoming goods inspection or a customer complaint, the supplier must react immediately. He immediately confirms receipt of a complaint in writing and submits a first report (8D report) with immediate measures to GOTEC within 24 hours from the receipt of complaint. Causes of errors and corrective measures must be submitted immediately, but within 5 calendar days from the receipt of complaint at the latest. The appropriate tools like Ishikawa, 5-Why etc. have to be used. The supplier has a maximum of 10 working-days' time to submit the completed 8D report. In order to avoid delivery delays, belt stoppages etc., GOTEC reserves the right to commission reworking/sorting themselves

or by third parties at the expense of the supplier. The subsequent deliveries have to be 100% checked for the defect and clearly marked. Costs incurred such as administration, sorting, handling, transport, repair, replacement, recall etc. will be charged in consultation. We reserve the right to further claims, in particular statutory claims for damages.

Within the scope of his product monitoring obligation, the supplier shall be responsible for monitoring their products and for communicating transferable findings from this.

7. Retraceability

The supplier undertakes to establish a system for the tracing of defects and to ensure that this is done for each part or product (by means of production and material batches). In the event of a detected defect, traceability must be possible in such a way that the quantities of defective parts / products can be limited. GOTEC will provide the supplier with the data required for traceability.

8. Deviation permits

The supplier must deliver according to specification. If there are temporary deviations, it is possible to apply for a deviation permit from GOTEC. Deviation permits must be in writing and are only permitted for a limited number of items or a limited period of time. They must be approved in writing by GOTEC. The supplier's responsibility (product liability, compensation for damages) shall remain with the deviation permit. Additional costs arising from deviation permits shall be borne by the supplier.

9. Transport

All products must be, in accordance with their intended use, protected against dirt, moisture, temperature damage, damage, scratches and foreign bodies (external and internal) during transport. The necessary packaging must be agreed upon with GOTEC. Longer transport routes and transport times shall be secured by the supplier by means of special measures. No defects may occur in the products even if they are stored beyond the delivery period.

10. Emergency strategy

The supplier must set up and document an "emergency strategy" in order to cope with emergencies (such as production disruptions, delivery stoppages, fire etc.). The supplier must grant access to the documents upon request.

11. Re-qualification examinations

The supplier is obliged to subject all products to a complete dimensional and functional test annually in accordance with the production control plan. The applicable client specifications for material and function must be taken into account. The result must be reported to GOTEC upon request. Any deviation from this obligation must be agreed upon between the supplier and GOTEC in writing.

12. Continuous Improvement / Lessons Learned

The supplier is obliged to maintain and verify a process for continuous improvement.

The feedback of experience gained from previous and ongoing projects (e. g. from field failures, industrial accidents, project management, product safety...) is to be used by the supplier as lessons learned for new projects/developments, but also in the ongoing series production process at their own premises and in the supply chain.

13. Changes to the product or process

Product improvements and measures to increase productivity from the supplier's point of view must be coordinated with GOTEC. The supplier must notify GOTEC of any changes to the product or process. The triggers for this are described in Section 7 Initial Sampling Documentation (Chapter II Requirements for the production process and product release). Changes will always result in a new sampling, unless GOTEC waives it in writing. The production process and product release after changes shall be going into effect after written approval by GOTEC, if the supplier has provided proof of qualification.

14. Parts history

The supplier must ensure that a meaningful, complete history is maintained for each product delivered. This contains, for example, information on tool corrections, process optimisations, index changes, new materials and all other relevant changes. The history must be made available upon request and for samples.

IV. Supplier Evaluation and Development

1. Audit (supplier)

GOTEC and the end customer are entitled to carry out an audit to determine whether the supplier's quality assurance measures and subcontractors guarantee the claims. The audit can be carried out as a system, process or product audit and must be agreed in good time before the planned implementation. Audits of accredited certification bodies must be taken into account. [Audits are carried out in accordance with the VDA standards.](#) Appropriate restrictions of the supplier are accepted in order to secure their trade secrets. [Suppliers with a certificate of compliance with the ISO 9001 standard are audited in accordance with the minimum requirements of the quality system for the automotive industry \(MAQMSR\). MAQMSR are available on the website \[www.iatfglobaloversight.org\]\(http://www.iatfglobaloversight.org\).](#)

If quality problems occur, which are caused by services and/or deliveries of subcontractors, the supplier is obliged to enable an audit at the subcontractor concerned. The supplier is informed of the result of the audit. If deviations are detected, the supplier undertakes to draw up a schedule of measures agreed upon with GOTEC in order to implement them on time and to inform GOTEC accordingly.

2. Supplier evaluation

GOTEC carries out supplier evaluations in order to monitor and ensure the quality of supply. These include quality, delivery reliability, customer service and other aspects and are regularly communicated to suppliers on a yearly basis and upon request.

3. Quality objectives

GOTEC reserves the right to set product-specific quality targets with suppliers. The quality objectives are agreed upon between GOTEC and the supplier. For product liability reasons, GOTEC expects delivery quality that conforms to specifications with the aim of achieving the zero-defect quota. In the event of deviations from the zero-defect target, GOTEC expects the suppliers to initiate and determine all necessary steps to ensure a clear improvement of the quality situation. In the event of prolonged overruns or major deviations, common objectives or measures must be agreed upon to remedy the problem.

4. Subcontractors

Subcontractors shall be selected by the supplier according to the same standards as described in this QAA and their quality shall be ensured by the suppliers' management. The supplier has full quality responsibility for the raw materials, components etc. used by them with regard to quality, process reliability, availability, compliance with defined standards etc.

V. Confidentiality Obligation

Unless a specific NDA has been concluded, the supplier undertakes to treat all information received about GOTEC and the subject matter of the contract confidentially during the term of the contract.

VI. Product Safety, Liability and Insurance

The supplier must do everything possible in organisational and technical terms to ensure the product safety of their parts and those of their subcontractors and to minimise the risks of product liability.

The supplier shall ensure and oblige their subcontractors to:

- maintain a pronounced awareness of quality throughout the company
- guarantee the necessary product safety during the development of components
- product safety is given special consideration in quality planning
- the quality capability of the manufacturing processes is ensured and verified
- the probability of the occurrence of defective products is minimised by appropriate quality assurance measures during mass production
- timely detection of defective products in the production process is ensured by appropriate measures as early as possible (minimisation of costs/waste of value added)
- quality data and legally required verification tests are documented in detail
- a material tracking system is used to limit the effects of defects that have occurred



- detailed information and training of the responsible employees on the subject of quality, product safety and product liability is provided
- an on-site product safety officer (PSO) is designated for each stage in the supply chain (if required, for example, in projects with the Volkswagen Group).

The supplier must always ensure adequate insurance coverage, in particular sufficient business and product liability insurance, as well as recall campaign cost liability insurance.

VII. Term of Agreement

This agreement enters into force with the signing of the contracting parties. The term is indefinite. The agreement can be terminated by both contracting parties with a notice period of 6 months. This applies to all deliveries of contractual items ordered after the entry into force of this agreement and whose order is confirmed prior to termination of this agreement.

The right of the partners to terminate the agreement without notice for good cause remains unaffected.

VIII. Final Provisions

In addition to this QAA, Parties shall apply separate arrangements concerning, in particular, the scope of supplies, remuneration, the term of supplies, warranty conditions.

The place of jurisdiction for legal disputes arising from or in connection with this QAA is the respective domicile of GOTEC.

This Quality Assurance Agreement (QAA) as well as the associated agreements, amendments and supplements must be in writing (annex) in order to be valid. This also applies to this written form clause.

The hereby Contract shall be governed by the Polish law, excluding United Nations Convention on Contracts for the International Sale of Goods.

Unless otherwise provided for by the contract, the place of performance of the contract and the place of payment is the headquarters of GOTEC.

Komorniki,
GOTEC Polska Sp. z o.o.
Quality Management Purchasing Department

J. Gorschlüter B. Gorschlüter

Supplier

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