	<b>QAA</b>	Seite: 1 / 5
	<b>Quality Assurance Agreement</b>	Dokument: QSV02.17.001 Änd.-Datum: 04.12.2017 Änd.-Stand: C

## Quality Assurance Agreement (QAA)

### Preamble

CarboFibretec consistently strives for a qualitative and lasting business partnership with its suppliers. The purpose of this agreement is to define the contractual specifications of the technical and organizational conditions between the parties which ensure the quality of product development and the quality of products themselves, as well as aiming to continuously improve product quality while adhering to relevant environmental requirements.

#### 1. Scope

The following agreement applies to deliveries and services by the supplier to CarboFibretec. Insofar as additional product-related agreements are required, they will be documented. These subsequent agreements are then also part of the original contractual agreement between CarboFibretec and the supplier, as well as the additional supply contracts. The supplier also guarantees that its subcontractors will comply with the rights and obligations assumed by him under this agreement.

#### 2. Quality Objective


Customer satisfaction is the ultimate goal of all quality assurance activities. All deliveries and services to CarboFibretec and / or its customers must meet the agreed and statutory requirements. The supplier and its subcontractors are committed to the zero defect target. To achieve this aim the supplier continuously optimizes its services accordingly. Zero defect strategy relies on systematic quality planning and series monitoring which prioritizes error avoidance and constant improvement.

#### 3. Quality Management

The supplier is obligated to consistently deploy EN9100 or ISO9001 QM system standards or guarantee the application of an equivalent QM system in compliance with EN9100 or ISO9001 specifications. The supplier must provide evidence that it is applying the valid current version of the respective QM system.

#### 4. Audits

After prior agreement between CarboFibretec and its supplier, CarboFibretec is allowed to carry out a process audit by its employees if quality problems occur, or in the interests of process optimization. Should quality problems occur which are caused by subcontractors, the supplier will allow CarboFibretec to carry out a process audit of these subcontractors if necessary.

	<b>QAA</b>	Seite: 2 / 5
	<b>Quality Assurance Agreement</b>	Dokument: QSV02.17.001 Änd.-Datum: 04.12.2017 Änd.-Stand: C

## 5. Quality Inspection Plans

The supplier complies with the basic prerequisite of "error prevention instead of error detection". Systematic quality control inspections will be scheduled.

## 6. Manufacturability

The supplier receives technical documentation from CarboFibretec with the order. The supplier is obliged to point out any points regarding the documentation (such as drawings, test specifications, standards) which appear to be unclear, incorrect or incomplete. CarboFibretec will then issue appropriate written instructions for clarification or provide modified documentation. The supplier shall ensure that the latest version of the documents provided by CarboFibretec is always available to all affected areas via its internal distribution system. Documents that no longer comply with the latest version must be destroyed or returned. The manufacturability for all new and changed parts / products will be verified. Problems will be communicated to CarboFibretec in good time.

## 7. Test schedule and inspection equipment guidelines (preventive quality control)

Through systematic test scheduling and inspection equipment guidelines, the supplier ensures that for new and / or modified products, manufacturing processes, etc.


- all essential quality characteristics are recorded,
- the test methods and frequency of testing to be applied are appropriate, and
- the inspection equipment is correctly designed and available in good time before series production begins.

The features essential to passing quality control standards must be included in the relevant drawings and defined under specifications.

The definition of critical and significant product features, which will be under particular scrutiny during quality control inspections, is carried out according to the results of FMEA findings in coordination with CarboFibretec.

An inspection plan contains the following requirements:

- Master data (such as manufacturer, designation, drawing no., technical change status)
- Documentation obligation and creator / user / date
- Test characteristics
- Test equipment
- Frequency of testing
- Test method
- Type of test (quantitative or qualitative)
- Sample size or 100% inspection
- Corrective actions in case of errors and names of persons responsible for the carrying out of such actions

	<b>QAA</b>	Seite: 3 / 5
	<b>Quality Assurance Agreement</b>	Dokument: QSV02.17.001 Änd.-Datum: 04.12.2017 Änd.-Stand: C

## **8. Production / series monitoring**

The quality of purchased materials or parts is guaranteed by appropriate quality control measures in place (test certificates, random samples, etc.). The supplier guarantees systematic monitoring of the production process by implementing suitable test methods according to the agreed inspection plan schedule. A more stable and efficient production process is achieved by adhering to all scheduled inspections and consistent documentation of process parameters and product features, thereby ensuring the desired quality standards for manufactured products. The causes of process disturbances and quality deviations will be analysed, improvement measures initiated and their effectiveness determined.

## **9. Serial delivery**

The supplier guarantees the supply of parts according to the agreed delivery quantities and delivery deadline dates. To avoid malfunctions and machine and tool failures, the supplier is responsible for regular preventive maintenance measures / machine servicing.

## **10. Sample testing**

Sample testing of products serves to provide evidence before the start of the series that required quality control standards as designated in the drawings and specifications have been achieved. Sample testing is carried out in accordance with PPAP or VDA 2 / PPF. The procedure and submission level to be applied will be agreed with the supplier.

## **11. Labelling, storage and packaging**

Tools, products, parts and packaging must be labelled in compliance with the specifications agreed with CarboFibretec.


11.1. The supplier must consistently label the goods in such a way that product status and test status is clearly recognizable at any time during the whole process between goods incoming to goods outgoing.

11.2. Each individual transport carrier loaded with goods ready for dispatch must be provided with a goods tag which is filled in completely.

11.3. The goods` labels must be legible and easily recognizable during transport and storage.

11.4. In order to avoid damage, the supplier ensures products are only delivered using approved means of transport in accordance with the agreement with CarboFibretec.

11.5. If tools have been created for the supplier`s use, these must be provided with special signs which show that they remain the property of CarboFibretec.

	<b>QAA</b>	Seite: 4 / 5
	<b>Quality Assurance Agreement</b>	Dokument: QSV02.17.001 Änd.-Datum: 04.12.2017 Änd.-Stand: C

## 12. Defective parts

If faulty or suspect parts are detected, they must be picked out, labelled and separated. This task is to be carried out based on costs and capacities (CarboFibretec, customer or third parties). Whoever is at fault must pay the costs. The possibility of defective parts mixing with good parts must be eliminated to ensure that only defect-free contract items are delivered. The supplier is only then entitled to deliver parts that deviate from specifications or design drawings if a design divergency note has been signed and approved.

## 13. Receipt inspection and notification of defects

Upon receipt CarboFibretec will check the identity of products purchased from the supplier and inspect them for externally identifiable damages. However, CarboFibretec is exempted from the obligation to inspect and to give notice of defects (§377 HGB).

## 14. Complaints

The supplier must react to complaints regarding faulty deliveries / services immediately. The supplier is to submit a report (4D / 8D report) that covers at least the following points:


- that he has taken note of the error description (feedback within 24 hours)
- that he has introduced immediate measures (damage limitation within 48 hours)
- that he has identified the cause of error (within 14 working days)
- that he has initiated remedial measures (removal of causes within 60 working days), if the problem is not inherent in the design.

## 15. Traceability and documentation

The supplier is obligated to provide the necessary QA documentation which enables traceability of parts with special features. In the case of a detected error, traceability must be so sufficiently documented that it is possible to limit the amount of defective parts produced.

For the creation and storage of documents the recommendations from VDA (Volume 1 "Verification") in the currently valid version are to be implemented. Documents requiring special archiving, in particular those concerning security-relevant features, must be archived for 15 years, other documents for at least 3 years.

In the case of claims by third parties, the supplier shall provide CarboFibretec with access to the relevant quality assurance documentation necessary to defend itself against said claims. The documents shall be surrendered temporarily, however for as long as they are needed in order to furnish exonerating evidence.

	<b>QAA</b>	Seite: 5 / 5
	<b>Quality Assurance Agreement</b>	Dokument: QSV02.17.001 Änd.-Datum: 04.12.2017 Änd.-Stand: C

## 16. Confidentiality

Both parties to this contract agree to handle any information and knowledge they have shared – by whatever means - as company secrets and obligate themselves not to let third parties have access to confidential information or to use it for any other purpose than originally intended without prior written consent.

This obligation will remain in place for a period of 3 years after the date of termination of this agreement.

## 17. Written form

Changes or additions to this agreement must be made in written form in order to be effective. This also applies to a waiver of the written form requirement.

## 18. Validity and term

This agreement comes into effect on the date of signing by both the supplier and CarboFibretec. It is valid for an indefinite period and can be terminated with a notice period of 6 months by either the supplier or CarboFibretec in written form by registered letter. The right to extraordinary termination is not affected by these terms. Termination of this agreement has no effect on the validity of current supply agreements until their full completion.

## 19. Final Provisions, Law, Jurisdiction

Should individual provisions of this contract be ineffective or unenforceable or become ineffective or unenforceable after conclusion of the contract, the effectiveness of the rest of the contract remains in force. In place of ineffective or unenforceable provisions both parties shall agree on an alternative which is effective and practicable and whose effects come closest to the economic objective which the contracting parties intended with the ineffective or unenforceable provision. In the event that this contract is found to have omissions the same procedure as described above would apply. The agreement is subject only to the law of the Federal Republic of Germany, with the UN Sales Convention expressly excluded.

For all contractual and non-contractual disputes both parties agree the local and international jurisdiction applicable to the place of business of the customer is excluded whereas German law applies because it is the jurisdiction applicable to the place of business of the buyer. In particular, this competence also excludes any other jurisdiction that may arise from a personal or factual context provided for by law in the customer`s location.