1. Objective of the Quality Assurance Agreement (QAA)

The objectives of this Agreement are to create the conditions for continual improvement of the quality of the materials and services delivered by the supplier to SYMANZIK, in compliance with the requirements laid down in IATF 16949, and orientation towards the “zero error principle”.

2. Scope of applicability

2.1. Together with the General Terms of Purchase (see www.symanzik.de) and the respective individual contracts, the provisions of this QAA apply for all existing and future development and supply contracts between SYMANZIK and the supplier.

2.2. SYMANZIK has the possibility of additionally concluding a specific QAA for materials and services which the supplier delivers to SYMANZIK. This may contain, among other things, the following arrangements: ppm targets, characteristics with special supervision, project-specific requirements and special retention and proof requirements.

2.3. In any event, the supplier is responsible for the quality and assured properties of the materials and services delivered by it, irrespective of whether it produces them itself, processes them or purchases them from third parties.

3. Quality management system

3.1. The supplier undertakes to set up, implement and maintain a certified quality management system, at least according to the current version of DIN EN ISO 9001. SYMANZIK also expects its suppliers to continually further develop their quality management system in accordance with the provisions of IATF 16949. In addition to DIN EN ISO 9001 at least the following elements from IATF 16949 must be applied by the supplier:

- advance quality planning
- statistical process control
- continual improvement/Kaizen process
- implementation of a supplier management system

3.2. For safety-relevant issues the supplier must appoint a product safety officer (PSB) and notify SYMANZIK of the appointed person. The PSB’s task is the elimination of safety-relevant errors and incidents of any kind. The product safety officer should report directly to the management, the plant management or the quality management. The supplier shall also obligate its sub-suppliers to comply with the provisions of this Agreement.

4. Quality planning

4.1. The supplier must carry out systematic, advance quality planning with the aim of identifying all risks at an early stage and avoiding and taking into account errors, in order to implement the series production at the desired time, with the defined quality and in the agreed quantities.

4.2. With regard to development issues, the supplier shall document its planning results in the form of a schedule and milestone programme, a P-FMEA and a production control plan. SYMANZIK reserves the right to inspect that documentation at any time.

5. Machine and process capability

5.1. Machine and process capability must be examined and rated on the basis of VDA vol. 4 (currently applicable version).

5.2. If the capability indicators are not reached, the supplier shall carry out an appropriate 100% test of the required characteristics and provide proof of them in writing until its processes are optimised.

5.3. The supplier is responsible for the determination and correct establishment of the characteristics to be tested, the appropriate testing methods and the appropriate optimisations of the production systems. The test criteria defined in the drawing (SC and CC characteristics) are deemed to be the minimum standard. SYMANZIK reserves the right to inspect the results documentation for the tests of the key characteristics at any time.

5.4. As a rule, for all test criteria, particularly the functionally critical criteria, suitable test equipment should be selected and proof provided of its capability in accordance with the AIAG procedure (measuring system analysis). Providing proof of the suitability of the testing process is a requirement for the performance of the capability tests.

6. Initial sampling, process changes

6.1. In accordance with VDA vol. 2 or the PPAP Reference Manual, the supplier must prepare an initial sample test report concerning the initial sample test. Unless otherwise agreed in the sample coordination talk, sampling should occur after Presentation Stage 3 (PPF procedure) or Level 3 (PPAP). The current revision statuses shall apply.

6.2. For the initial samples, materials and services in line with the specifications must be used which have been consistently produced from serial processes and under serial conditions.

6.3. In particular, initial sampling must be carried out (see also the trigger matrix for the PPF procedure in accordance with VDA vol. 2) where:

- new materials and services are used
- the agreed specification is changed (e.g. drawing revision with a new drawing index)
- the production process is changed
- the production facilities / production machines are relocated
- production is carried out with several similar tools, from each tool
- the sub-suppliers are changed
- changes requiring an IMDS change are made to the raw material base

6.4. The production facility of the company responsible for the series process must be specified on the cover sheet with the precise company name and DUNS number.

6.5. In the case of initial sampling by commercial companies and suppliers without their own production facilities, the sampling documents must unequivocally indicate the manufacturing company and the location of its production facility.

6.6. Until approval of the change sampling, the supplier must produce all materials and services according to the existing approved process/procedure.

7. Requalification

At least once per year, from the approval of the initial sampling, all products must be tested without a request being made to that effect by way of full dimension, functional and material testing in accordance with the production control plans, taking into account the customer specifications to be applied (following consultation, the establishment of families of components is possible). The results of the requalification must be submitted to SYMANZIK without being requested, in the form of sampling in accordance with VDA/PPAP. SYMANZIK must be promptly informed if any deviations are identified. The necessary measures must be appropriately agreed with SYMANZIK.

8. Auditing, process validation

8.1. SYMANZIK and its customers have the right to examine and assess the supplier's quality assurance and planning measures, and demand that it appropriately cooperate in this respect (auditing, process validation in connection with new production starts).

8.2. The following may be reasons for audits:

- securing the quality of new products and their series production,
- quality problems in delivery,
- optimisation of the processes,
- process changes,
- process transfers.

8.3 The supplier must also know, understand and apply customer-specific requirements, for example for the auditing of products and processes (e.g. "Formel-Q-Konkret", "Formel-Q-Fähigkeit" and Self-Audit in the VW Group). If required, appropriate information can either be taken from the drawing or obtained through SYMANZIK.

8.4. After a prior announcement, an audit may be carried out as a system, process or product audit.

8.5. Audit deviations/findings will be recorded in an action plan and must be worked through in a timely manner by the supplier.

8.6. The supplier must also independently carry out the necessary auditing of its sub-suppliers within the framework of its deliveries.

8.7. Carrying out the auditing does not release the supplier from its obligations with regard to ensuring consistent quality of the materials and services delivered by it.

9. Quality documentation and traceability

9.1. The supplier must maintain a documentation system in order to ensure the traceability of its materials and services from goods issue up to the raw material, including its upstream suppliers. For this purpose, the recommendations of the currently applicable version of VDA Vol. 1 “Verification Management” must be complied with.

9.2. Upon request, the supplier must enable SYMANZIK to view at any time the relevant documentation and records. In addition, the supplier must provide SYMANZIK, at its request, with suitable supporting documents.

9.3. In the event that third parties take legal action, the supplier must support SYMANZIK in defending against claims and for that purpose grant it access to the quality documentation and quality record relevant for this and, if it is necessary for the purpose of providing exonerating evidence, temporarily provide them to it.

10. Change management

The supplier must introduce and maintain a classification scheme for changes to products and processes. As a rule, changes must be reported in good time in writing to the competent contact person at SYMANZIK. The supplier must both track changes with appropriate methods and independently implement them, as well as validate the change according to the product and process specifications before it is implemented in the serial process. The change may only be introduced by the supplier after the effects have been verified and approval has been given by the competent department at SYMANZIK. This notification requirement is regulated through VDA vol. 2. Change requests of SYMANZIK must be assessed within a time limit of two weeks.

11. Transport and packing

11.1. Within the framework of its quality management system, the supplier must ensure that the quality of the deliveries is not impaired by the transportation to the recipient plant of SYMANZIK and introduction into on-going production.

11.2. The supplier must also document the number of and reason for special trips to SYMANZIK and provide that information/those records to SYMANZIK without being requested to do so.

12. Defective delivery

12.1. Incoming deliveries arriving at SYMANZIK will only be checked with regard to identity and quantity, as well as for externally identifiable damage in transit. Any deviations in this respect shall be promptly reported by SYMANZIK. Also, in the course of the receiving inspection, the delivered products will be checked for their quality, taking into account the quality status of previous deliveries, regularly or at irregular intervals.

12.2. If SYMANZIK submits a complaint due to deviations, the supplier shall have to immediately initiate corrective measures which permanently and sustainably guarantee the exclusion of defects. As a rule, the supplier shall issue an initial written statement in the form of a 3D report within a maximum of 24 hours, specifying the immediate measures and taking into account the materials and services already delivered by it. Within five business days, SYMANZIK will expect a 5D report and within 10 business days a completed 8D report with a full written investigation of the cause of the defect (e.g. by way of an Ishikawa diagram or 5W analysis) and the introduction of appropriate corrective measures.

12.3 Otherwise, the supplier waives the objection of late complaints in accordance with Article 377 of the German Commercial Code (Handelsgesetzbuch).

12.4. If, after discovering a defect, SYMANZIK is forced to carry out a more precise examination agreed in terms of type and scope with the supplier, the supplier shall bear the additional costs. Those additional inspections shall be commissioned by the supplier. As required, SYMANZIK shall support the supplier, as the case may be, in the search for a suitable service provider.

12.5. If the supplier finds after delivery that a defective or purportedly defective batch is in circulation, the supplier shall promptly inform SYMANZIK to that effect in order to prevent further damage.

12.6. All costs of complaints, such as return deliveries and sorting, as well as follow-up costs, such as necessary replacement of entire systems, production interruptions and extra trips, shall be borne by the supplier if it is culpable.

12.7. Where SYMANZIK has issued a deviation authorisation before delivery, the supplier shall also be liable for proper functioning and for warranty claims if they are attributable to a characteristic approved by SYMANZIK.

13. No entitlement to delivery

In principle, the supplier has no entitlement to the placement of orders due to the conclusion and performance of this Agreement.

Date	Supplier's stamp and signature