QUALITY ASSURANCE AGREEMENT
"QAA"

between

cunova GmbH
Klosterstraße 29
49074 Osnabrück

(hereinafter referred to as “cunova”)

and

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(hereinafter referred to as the "Contracting Party")

(hereinafter referred to individually or collectively as the "Parties")

agree on the implementation of a joint quality management system with the aim of ensuring the quality of product realization, i.e. the quality of product and process development, products and deliveries.

1. Preamble

This QAA is the contractual definition of the technical and organizational framework conditions between cunova and the contractual partner that are necessary to achieve the agreed/desired quality goal. It describes the minimum requirements for the management system of the Parties with regard to quality assurance. In particular, the QAA specifies special requirements for the production process and product release procedure (PPF procedure).

Both parties are committed to the zero-defect objective.

Further parties to this QAA are all affiliated consigna companies that purchase deliveries and/or services from the Contractual Partner, unless otherwise agreed in writing. A later, individual QAA takes precedence.

2. General Agreements

2.1 Scope of Application, Subject Matter of the Contract

This Agreement sets out the quality requirements for all development services and/or products provided and/or delivered specifically to the Parties during their term, to the extent that the scope is not limited to specific services and/or deliveries.

Individual clauses of this agreement do not apply to the extent that they conflict with priority contracts, e.g. development or purchase contracts.

The Contracting Party undertakes to

- New launch of an agreed product
- Changes to product or packaging
- Changes in manufacturing processes, processes and materials (also at suppliers of the contractual partner)
- Change of suppliers of the contractual partner
- Changes to test procedures/equipment
- Relocations of manufacturing sites
- Relocation of on-site manufacturing facilities

to obtain cunova's prior written consent and to provide the agreed proof of quality in this context.

If the Contracting Party introduces the above-mentioned changes or new products without the consent of cunova, cunova is entitled to terminate existing supply contracts extraordinarily and without notice. In the event of such termination, the contractual partner shall not be entitled to any claims for compensation against cunova. cunova can claim the damage incurred from the contractual partner.

2.2 Quality management of the contractual partner

The contractual partner undertakes to permanently apply a quality management system in accordance with ISO 9001:2015. Other sets of rules, such as those of the following organizations:

- VDA (Germany)
- AIAG (USA)
- EAQF (France)
- AVSQ (Italy)

shall only become part of the contract if agreed in writing.

The contractual partner is committed to the zero-defect goal and must continuously optimize its services in this regard.

Insofar as cunova provides the Contractual Partner with production and testing equipment, in particular means and facilities in the context of the purchase of deliveries, these must be included by the Contractual Partner in its quality management system in the same way as its own production and testing equipment, unless otherwise agreed. The details of the tool loan are regulated in a separate tool loan agreement.

If the contractual partner fulfils the content requirements of ISO 9001:2015 without certification, the contractual partner is obliged to obtain the certification within an agreed period of time. cunova supports the contractual partner in the certification process according to ISO 9001:2015 in an agreed procedure within the first 6 to 12 months after signing the QAA.

2.3 Environmental and energy management of the contractual partner

Environmental protection and energy management are an integral part of our quality requirements. We therefore operate a quality management system in accordance with ISO 9001:2015 as well as an environmental management system in accordance with ISO 14001:2015 and an energy management system in accordance with ISO 50001:2018.

One of our basic rules of conduct is to produce in an environmentally friendly way and to reduce energy consumption. Our contractual partners and service providers are required to support us in achieving these goals within the scope of their activities. In the procurement of goods and services, therefore, in addition to price and cost-effectiveness, environmental compatibility and the energy efficiency of products are also a key purchasing criterion. We reserve the right to check this with our contractors after consultation in the course of quality audits.

Compliance with our above-mentioned environmental protection rules is the basis of all contractual relationships between cunova and all contractual partners. Failure to comply may result in termination of the business relationship.

The contractual partner undertakes to comply with the respective legal regulations on environmental protection and to work to reduce or even avoid adverse effects on people and the environment in its activities. In particular, the energy efficiency of the products or services offered is decisive in our awarding of contracts, in addition to economic aspects. In order to take appropriate account of environmental protection and, in particular, energy efficiency aspects, all national requirements and the requirements of the relevant EU directives must be taken into account.

The contractual partner must carry out a quality and environmental control of its products that is suitable in terms of type and scope and corresponds to the latest state of the art. cunova expects the contractual partner to constantly align the quality of the products to be delivered to us with the latest state of the art and to inform cunova of possible improvements and technical changes.

The contractual partner guarantees the fulfilment of all legal safety and environmental regulations.

The contractual partner undertakes to comply with the current EC/EU directives, national laws and standards and in particular the provisions of ISO 50001:2018 in its services and deliveries for cunova.

2.4 Quality management of the contractor's suppliers

The Contracting Party shall oblige its suppliers to comply with the obligations assumed by it under this contract (quality, environmental and energy management); this is taken into account in the evaluation of the contractual partner.

cunova may demand documented evidence from the Contractual Partner that the Contractual Partner has satisfied itself of the effectiveness of the quality, environmental and energy management system of its suppliers and/or has ensured the quality of its purchased parts by other suitable measures.

2.5 Audit (at the contractual partner)

cunova is entitled to determine by means of an audit whether the quality assurance measures of the contractual partner guarantee the cunova requirements. The audit can be carried out as a system, process or product audit and must be arranged well in advance of the planned implementation. System audits by approved certification bodies must be taken into account. Reasonable restrictions on the part of the contractual partner in order to secure its trade secrets are accepted.

If quality problems arise that are caused by services and/or deliveries by suppliers of the Contracting Party, the Contracting Party is obliged to facilitate an audit of the supplier concerned.

2.6 Documentation, Information

The obligation to store the standard and verification documents with special archiving is 10 years. The Contracting Party shall grant cunova access to these documents upon request.

If it becomes apparent that agreements made (e.g. on quality characteristics, deadlines, delivery quantities) cannot be adhered to, the contractual partner is obliged to inform cunova about this as well as about the more detailed circumstances. In the interest of finding a solution quickly, the contractual partner is obliged to disclose the data and facts.

If the Contracting Party detects an increase in deviations between the actual condition and the target condition of the products (drop in quality), the contact person specified on the order shall immediately notify the customer of this and of any planned corrective measures. Prior to changes to production processes, materials or supplier parts for the products, relocations of production sites, changes to procedures or equipment for testing the products or other quality assurance measures, the contractual partner shall notify cunova in sufficient time to enable it to check whether the changes may have a detrimental effect. The obligation to notify is regulated by sampling regulations.

All changes to the product and changes to the production process must be documented in a product curriculum vitae and treated in accordance with VDA Volume 2 "Assurance of the quality of deliveries".

2.7 Special Release

A special release is a time-limited deviation from the target state. This must be requested for the period until the introduction of a requested amendment. In the event of a deviation from the drawing or specification, a written special release must be obtained from cunova via the contact person specified on the order before delivery of the product to cunova.

This also applies if there is a short-term deviation from the approved series process, e.g. the use of an alternative process or an alternative machine. When applying for a special release, the reason for the occurrence of this deviation must be indicated.

In order to correct the cause of the deviation(s), suitable corrective measures must be planned by the contracting party and listed in the application with responsibilities and deadlines. If there is no response within the time specified in the complaint letter, this will be included in the evaluation of the contractual partner.

Causes and corrective actions must also be addressed through the use of an 8D-report. Depending on the circumstances, a special release is limited either to a specific delivery period or to a specific delivery quantity / batch size. This limitation is also determined by the duration of implementation of the corrective measures adopted.

Prior to delivery of the corresponding products, the contractual partner must have received the approval of cunova in written or electronic form. The products in question must be kept separate from parts that comply with the specification and must be specially marked. For this purpose, a copy of the special release must be enclosed with the delivery documents and also visibly affixed to the packaging units.

A delivery without a special release will lead directly to a complaint (notice of defects) and will have a negative impact on the evaluation of the contractual partner.

Any special release is limited to a fixed number of pieces, at most to the quantity already produced in a way that deviates from the specification. Contract products with deviations must be clearly marked with the delivery and shown in the delivery note.

2.8 Voluntary disclosure

If the Contracting Party discovers deviations from the agreed scope of delivery only after delivery of the goods to cunova, the Contracting Party must inform the accepting cunova plant informally thereof immediately.

In this case, cunova will prepare a complaint in the form of a notice of defects to record all additional expenses incurred. This notice of defect will then not be taken into account in the evaluation of the contractual partner. The additional costs recorded will be charged to the contractual partner.

It is necessary, even in the case of a voluntary disclosure, to provide information on the cause and the planned corrective actions.

3. Product Agreements

3.1 Development, planning

cunova shall ensure that it provides the contractual partner with the specifications with all relevant documents such as drawings, parts lists and CAD data at an early stage and in full. The contracting party checks the specifications, including all technical documents, for completeness and consistency. cunova must be informed of any defects detected in the process. These are to be eliminated by mutual agreement.

The Contractor undertakes to apply project management as early as the planning phase of products, processes and other cross-departmental tasks and to provide cunova with insight into the project schedule upon request.

In the development phase, the parties must apply appropriate preventive methods of quality planning such as manufacturability analysis, fault tree analysis, reliability calculation, FMEA, etc. The experience (process flows, process data, capability studies, etc.) from similar projects must be taken into account. Characteristics with special requirements for documentation and archiving must be defined.

For prototypes and pre-series parts, the manufacturing and testing conditions must be agreed and documented between cunova and the contractual partner. The aim is to manufacture the parts under near-series conditions.

For the agreed product and process characteristics, the contractual partner must carry out and document analyses of the suitability of the production equipment used. If specified capability parameters are not achieved, the contractor must either optimize its equipment accordingly or carry out suitable tests of the manufactured products in order to rule out defective deliveries.

Prior to the start of series production, the process and product release procedure must be carried out in accordance with cunova's process and procedure instructions. Design or development approvals by cunova must be given prior to the production process and product release procedure.

3.2 Sample parts and initial sampling

Prior to the commencement of the first serial delivery of a part, samples must be submitted to our incoming inspection department in good time for assessment. The submission of samples is also required for:

- Use of a new tool
- Correction / repair of a tool
- Repair or overhaul of a tool
- Drawing Change
- Use of new materials or their material modifications
- Modification of manufacturing processes

The Contracting Party and cunova shall mutually agree on the required initial sample quantities and determine the requirement for sample test reports. The initial sample can be delivered individually or by special agreement - specially marked - as part of the initial delivery.

ATTENTION:
Marking of the delivery (goods and delivery note) with a sticker "**Initial sample"** is mandatory!

cunova checks the initial samples, informs the Contractual Partner of the result of the test and, if the samples are found to be good, releases series production. While the release in the case of molded parts also refers to the tool, the release for non-molded parts, as well as for molded parts that have undergone further processing, only applies to the parts submitted.

An agreement must be reached between cunova and the Contractual Partner regarding the costs incurred for the initial sampling.

3.3 Serial production, traceability, identification, notification of defects

In the event of process disruptions and quality deviations at cunova or the contractual partner, the causes must be analyzed, improvement measures initiated and their effectiveness checked. If, in exceptional cases, non-specification products have to be delivered, a special release from cunova must be obtained in advance. cunova must also be informed immediately of any deviations that are subsequently detected by means of a voluntary disclosure.

The contractor undertakes to ensure the traceability of the products supplied by him. In the event of an identified discrepancy, traceability must be possible in such a way that the quantities of affected parts/products can be limited. cunova will provide the contractual partner with the data required for traceability.

With regard to the labelling of products, parts and packaging, the products marked with cunova agreed demands. It must be ensured that the labelling of the packaged products is also recognisable during transport and storage. Deviations from existing labelling obligations require a written agreement between the contractual partner and cunova.

The costs incurred by the notification of defects will be invoiced to the contractual partner. Costs incurred by cunova's customer as a result of the customer's notice of defects shall be passed on to the contractual partner if it can be proven that the delivery item between cunova and the contractual partner is the cause of the notice of defects.

3.4 Inspections, complaints, measures

The contractor shall carry out tests in accordance with the test plan in order to meet the agreed objectives and specifications, for example by submitting the material test certificate 3.1.

In series production, the contractual partner must prove the process capability for the agreed characteristics over the entire production period by means of suitable procedures (e.g. statistical process control, digitization, manual control chart technology).

If the required process capability is not achieved, the production process must be optimized accordingly with the aim of achieving process capability or the quality of the products must be ensured by suitable test methods.

ENTRANCE EXAMINATIONS:

After receiving the products purchased from the Contractual Partner, cunova will check for compliance with the quantity and identity, as well as for externally recognisable damage, and will immediately notify the Contractual Partner of these by means of a notice of defects.

As soon as defects in a delivery have been identified in accordance with the circumstances of an orderly course of business, cunova must immediately notify the contractual partner. In this respect, the contracting party waives the objection of late notification of defects. A successful payment of the agreed purchase price does not constitute an acknowledgement that the delivery is free of defects.

Insofar as this has been agreed with the Contracting Party, cunova shall, in accordance with a proper course of business, either inspect the materials and assemblies produced using the delivery before the start of the next production phase or subject the finished product manufactured using the primary material or assembly to an inspection.

The contractual partner will be provided with disputed parts for analysis, unless otherwise agreed. In the event of a dispute, a joint diagnosis must be made by cunova and the contractual partner.

In the event of defects in deliveries, the contractual partner must immediately remedy the situation (sorting or reworking). Replacement delivery must only be made after consultation with the responsible person at cunova purchasing. Any rework that has been carried out must be approved by cunova.

4. Duration of the agreement

This Quality Assurance Agreement is valid for an indefinite period of time from the date of signing. However, it can be terminated by either party in writing with 6 months' notice to the end of the calendar year. The termination of this agreement shall not affect the validity of current individual supply contracts until they have been fully consumed.

5. New edition of quality management system standards

In the case of subsequent editions, the current edition of ISO 9001, ISO 14001 and ISO 50001 automatically applies instead of the previous edition. In the event of significant changes in content, either party may request a renegotiation.

6. Insurance

The Contracting Party is obliged to take out and maintain an extended product liability insurance with worldwide coverage to cover all risks arising from this agreement. At cunova's request, the contractual partner will immediately provide proof of its current insurance coverage.

The minimum amounts insured for the extended product liability insurance with reference basis for 2024 are as follows:

- Personal injury and property damage per insured event: 5 million euros
- Product asset losses per insured event: 5 million euros

7. Continuous Improvement Process (CIP)

The Contracting Party undertakes to further develop and continuously adapt its management, as well as to improve it through appropriate corrections and preventive measures.

8. Packaging, Corrosion Protection, Marking

The packaging must always be chosen by the contractual partner in such a way that the goods arrive at cunova dry, free of rust, dirt and damage. If, in individual cases, a packaging instruction is agreed between cunova and the contractual partner, this packaging instruction is an integral part of the delivery contract.

Sensitive surfaces (finely machined outer surfaces, sealing surfaces, threads, etc.) must not touch each other. In addition, appropriate corrosion protection must be provided.

The load must be secured in accordance with the requirements of current laws, ordinances, accident prevention regulations and standards and must be carried out in accordance with the recognised rules of technology. In particular, the requirements of the StVO, StVZO, BGV D 29 "Vehicles" and VDI 2700 "Load securing on road vehicles" must be met.

In the event of a risk due to insufficiently secured delivery, we will refuse to accept it. In the case of deliveries for which our technical documentation specifies a specific packaging, the instructions contained therein must be followed.

Each pallet or packaging unit must be marked with an externally visible content sheet indicating the contractual partner, the customer, the number of pieces, the article/part number and the order number.

9. Secrecy

The Contracting Party shall keep all data arising from the agreement confidential and shall not grant third parties access to or insight into such data. If agreed with the contractual partner, the separate non-disclosure agreement also applies.

10. Liability

The agreement on quality objectives and measures as well as intervention limits (incidents, ppm targets) does not exempt the contractual partner from liability for warranty and compensation claims by cunova due to defects in the deliveries.

The contractual partner is liable without limitation for willful misconduct and gross negligence.

11. Changes / Additions

Changes and additions to this agreement must be made in writing in order to be effective; this also applies to the waiver of this written form requirement.

12. Severability

Should any provision or part of the provisions of this Quality Assurance Agreement be or become invalid, this shall not affect the validity of this QAA in all other respects.

13. Place of Jurisdiction / Law

The parties agree that the place of jurisdiction is the Regional Court of Osnabrück, the registered office of cunova or the place of performance to which the manufactured parts or products are to be delivered in accordance with the order. For all contractual and non-contractual claims that are asserted mutually, German law (excluding its conflict-of-laws-provisions) is agreed. The application of the United Nations Convention on the International Sale of Goods is excluded.

cunova GmbH

.....the..... ....

Place Date Signature Signature

Contracting party

.....the..... ....

Place Date Signature Signature