1. Sphere of application and purpose
The agreement covers all the products the Contractor is to supply to the Client. Its objective is to assure quality so that the Client can scale down the goods inward inspection in agreement with the Contractor. It helps reduce quality costs.

2. Quality assurance measures
The Contractor will manufacture and monitor all the products for supply to the Client in accordance with the underlying documentation (e.g. drawings, technical specifications, standards and the quality regulations defined for the product). The Contractor must furthermore satisfy ISO quality assurance measures.

3. Collaboration
The contracting parties will maintain an open collaboration of partnership, especially with regard to the active exchange of information. In justified cases, the Contractor will allow the Client's nominated representative to inspect the relevant production and testing documents and test records following short-term prior agreement. Access will also be allowed to the relevant production facilities within normal working hours. The Client and its customer will also be permitted access to the relevant production facilities for the purposes of performing audits, or in the event of a defective delivery by the Contractor, for the purposes of corrective inspections by the Client or its customer after a date has been agreed with the Contractor. The Contractor will give the Client immediate appropriate support in relation to any technical problems with its products. If there are indications of incomplete or defective documentation on the part of the Client, the Contractor will inform the Client of this and support it in finding a solution.

4. Test equipment, tests and test methods
The Contractor undertakes to comply with all production and test methods specified by or agreed with the Client and to provide evidence of testing. This also includes the product components supplied to the Contractor for production purposes at no charge by the Client. Unless specifically determined by the contracting parties, the Contractor will take sole responsibility for defining the testing strategy required. The Client will be permitted to inspect this in relation to a specific problem. The test equipment used must be suitable for testing all the quality features covered by the agreement. The test equipment should be monitored accordingly at appropriate intervals. The Contractor will conduct tests in such a way and in such a scope that the Client can dispense with feature-specific goods inward testing. The Client will check 2 % of the quantity delivered at Goods Inward; if any defect is found, the delivery will not be accepted. In this case, the defect will be reported to the Contractor in writing and further action agreed within 24 hours. The Client will notify the Contractor without delay of any other defects as soon as they are found in the course of the ordinary business routine. To this extent, the Contractor accepts that it has no recourse to the objection that the Client has not performed a goods inward inspection nor to the fact that a complaint is delayed (§ 377 HGB [Handelsgesetzbuch - German Commercial Code]), as long as the complaint relates to quality defects in the products supplied. The option to complain is limited to 36 months, or for serial production faults, to 60 months from delivery. The regulations in §7 of the Client's General Terms and Conditions of Business relating to the order and supply of products apply. If the Client requests it, the Contractor will compile 5D reports for severe defects notified and 8D reports for a repeat occurrence.

5. Delivery dates/delayed delivery
The regulations in §5 of the Client's General Terms and Conditions of Business relating to the order and supply of products apply.

6. Sample approval
If the product is made specifically for the Client, approval for production will be given by means of an EMP (Erstmusterprüfung - initial sample inspection) in accordance with the Client's specifications. The Client will issue a report to confirm approval for production.

7. Deviations/modifications
Deviations in the products ordered (e.g. specifications which have not been complied with, malfunctions etc.) should be reported to the Client in writing as soon as the Contractor becomes aware of them. The supply of defective products requires written approval (special approval) from the Client. Any modifications to the Client's products and its production process always require the Client's written consent.

8. Marking and traceability
The products to be supplied by the Contractor will be marked in the manner agreed with the Client, as far as this is technically possible (e.g. Identnumber, serial number etc.). The Contractor will ensure traceability to production and testing procedures. The Contractor guarantees to comply with statutory documentation obligations and/or those arising from standards or agreements.

9. Confidentiality
The terms of the confidentiality agreement to be concluded together. The Client will give the Contractor appropriate support.

10. Supplier assessment
The Client will compile assessments for the Contractor. The Client will inform the Contractor of the criteria and the results. Objectives and measures for improvement will be agreed together. The Client will give the Contractor appropriate support.

11. Validity
The agreement is a component of orders/jobs and will come into effect once both contracting parties have signed it. It applies automatically to each individual order/job.

Stamp/date/signature of Client

Stamp/date/signature of Contractor