General
Quality assurance agreement

Between

Heinrich Huhn Germany GmbH
Hauptstraße 44
D-57489 Drolshagen

Huhn Press Tech spol. s r.o.
Skolska 1604
95201 Vráble
Slovak republic

- hereinafter referred to as **"Huhn Group"** -

and

- hereinafter referred to as **"Supplier"** -

Preamble

This General Quality Assurance Agreement (hereinafter referred to as "Quality Assurance Agreement") is the contractual definition of the general framework conditions and processes between the Client and the Contractor required to achieve the intended quality objective. It describes the minimum requirements for the management system of the parties with regard to quality assurance. In addition, reference may be made in individual cases to product-related special quality assurance agreements, the requirements of which must be complied with by the contractor.

The intention of the QAA is to pass on detailed information about requirements, expectations and quality assurance methods to the supplier, which are therefore binding and obligatory.

This QAA is part of all contractual agreements and is a binding document. Any subsequent amendments shall become binding if the Huhn Group has notified the SUPPLIER of them in text form and the SUPPLIER has not objected to them in text form within twenty working days.

Table of contents

1 GENERAL REQUIREMENTS

1.1 AIM OF THE QAA

(IATF 16949: Preface Objective)

As a supplier to the automotive industry, the Huhn Group manufactures high-quality products. The QAA is intended to ensure the procurement and manufacture of flawless products through appropriate measures. In addition, individual quality assurance agreements can be made between the business partners, the plants and the supplier or sub-supplier.

By describing the minimum requirements for the SUPPLIER's quality management system, the QAA is intended to help avoid quality problems, ensure smooth processes and high-quality, defect-free products between the Huhn Group and the SUPPLIER, and minimise costs.
In the event of problems, this has a significant influence on the internal procedures and processes at the Huhn Group and must be avoided in order not to jeopardise the quality of the end products.

The QAA describes the framework conditions and processes, both technical and organisational, that are required to achieve the desired quality objectives.

The aim is for the SUPPLIER to strive for continuous improvement "KAIZEN" and pursue the goal of "zero defect strategy".

The SUPPLIER shall ensure strict compliance with this agreement.
Product liability and warranty obligations must also be observed and complied with.

1.2 SCOPE AND VALIDITY

(IATF 16949: Chapter 1.1, 4.3.2)

This QAA applies to all contracts between the Huhn Group and its SUPPLIERS.
This guideline is a customer-specific requirement in the sense of IATF 16949 section 4.3.2.

If the SUPPLIER wishes to deviate from this agreement, this must be agreed with the Huhn Group and confirmed in writing. See also "Period of validity".

This agreement does not replace the - as far as applicable - requirements according to DIN EN ISO 14001, VDA Volume 1, VDA Volume 2, VDA Volume 4, VDA Volume 6.1, VDA Volume 6.3, as well as DIN EN ISO 9001 and IATF 16949 as well as customer standards, but is a minimum requirement of the Huhn Group.

The currently valid GENERAL CONDITIONS OF PURCHASE of the Huhn Group apply in addition to this agreement. The validity of the SUPPLIER's general terms and conditions is excluded.

All current customer-specific requirements - according to the respective projects - must be taken into account and complied with by the SUPPLIER. If the SUPPLIER does not have access rights, for example via customer portals or similar, these must be actively requested from the Huhn Group.

All previous quality assurance agreements of the Huhn Group which have been sent or published are invalid.

1.3 NON-DISCLOSURE AGREEMENTS

(IATF 16949: Chapter 8.1.2)

The contracting parties undertake to keep all mutually received information and the content of this agreement secret from third parties. It is not intended for outside cooperation under this agreement and may not be used. The supplier accepts access, as far as necessary, to all relevant operating sites, warehouses, test centres and the inspection of all documents relevant to quality and work. All reasonable restrictions on the part of the supplier with regard to trade secrets are accepted.
If there is a termination of this agreement, the contracting party shall be obliged to return the documents provided upon request. The above confidentiality agreement shall also apply for the time after termination of this agreement. If there are separate non-disclosure agreements, their provisions shall take precedence over the above provisions.

Moreover, the confidentiality agreement applies independently of the conclusion of a contract and thus also to knowledge gained during the offer phase.

All reasonable restrictions on the part of the supplier with regard to trade secrets are accepted.

1.4 WARRANTY

(IATF 16949: Chapter 10.2.5)

The SUPPLIER undertakes to accept rights and obligations arising from the Huhn Group's warranty, even if the Huhn Group only discovers defects or faults during or after processing, despite a limited incoming goods inspection (see chapter 4.1). If defects or complaints are discovered, the SUPPLIER will be informed immediately and will be requested to limit the damage and/or process the complaint. The SUPPLIER is expressly advised that it is obliged to clarify the above provision with its liability insurer in order to ensure that it is nevertheless able to obtain the necessary product liability insurance, including the provided recall costs insurance.
The results of the assessment do not release the supplier from its warranty and/or liability obligations.

1.5 RISK MANAGEMENT AND EMERGENCY PLANNING

(IATF 16949: Chapter 6.1.2.3)

The SUPPLIER shall ensure that all potential incidents within the supply and/or process chain which could have a negative impact on its ability to deliver are identified, assessed and reported on its own responsibility.
-eliminated - insofar as possible.

Possible events and the resulting emergencies, such as staff absences, cyber attacks on IT systems, machine defects, subcontractor failures or power outages, must be mapped in an emergency plan, including emergency measures.
The emergency plan must be checked annually for effectiveness. If there are any adjustments, these must be entered and presented to the Huhn Group upon request.

1.6 PRODUCT SAFETY AND PRODUCT LIABILITY

(IATF 16949: Chapter 4.4.1.2)

He must therefore implement everything organisationally and technically possible to ensure the product safety of his parts and those of his sub-suppliers and to minimise the risks of product liability. The SUPPLIER undertakes to appoint and qualify a Product Safety Representative (PSCR). This obligation must also be passed on to the sub-supplier.
The minimum cover in the event of damage must amount to five million euros. The insurance cover requirements do not constitute a limitation of liability; they merely serve to mitigate the liability risk borne by our SUPPLIERS.

1.7 QUALITY MANAGEMENT OF THE SUPPLIER

(IATF 16949: Chapter 4)

The SUPPLIER is fully responsible for the products and services supplied by him. The supplier is obliged to introduce and maintain a quality management system according to DIN EN ISO 9001 in the current version. A certification according to IATF 16949, DIN EN ISO 14001 is desirable, if this is not the case, the supplier is required to improve his QM system in this respect.
The use of relevant quality management tools (core tools) from IATF 16949 is assumed, if applicable.
The clear development objective of SUPPLIER is IATF 16949 in the currently valid version.
The SUPPLIER shall provide the CUSTOMER with the respective valid certificates without being requested to do so and shall also inform the CUSTOMER without being requested to do so if a certificate has expired.

The SUPPLIER undertakes to allow system, product, process and other inspections by the Huhn Group - if desired also with its customers of the Huhn Group - after consultation. For this purpose, the representatives of the Huhn Group and its customers must be given access to the production facilities. In this case, the confidentiality agreement also applies to the customers of the Huhn Group (see chapter 1.3).

If the Supplier procures the production or other pre-supplies from sub-suppliers for the products, processes or services required by the Huhn Group, it shall include these in its QM system or ensure the quality of the pre-supplies itself through suitable measures or developments.
The SUPPLIER shall oblige its sub-suppliers to comply with the obligations assumed by it under this agreement. The Huhn Group may demand documented evidence from the SUPPLIER that the SUPPLIER has satisfied itself of the effectiveness of the quality management system at its sub-suppliers and/or has ensured the quality of its purchased parts or external service by other suitable measures.

Insofar as the Huhn Group provides the SUPPLIER with production and testing equipment, this must be included by the SUPPLIER in its quality management system in the same way as its own production and testing equipment, unless otherwise agreed. All operating and measuring equipment which is in the possession of the SUPPLIER but is the property of the Huhn Group or its customers must be clearly and permanently marked as such. The SUPPLIER is responsible for the calibration of such operating and measuring equipment. Agreements to the contrary must be concluded separately.

1.7.1 AUDITS

Audits are planned by the Huhn Group and the SUPPLIER. The SUPPLIER allows the Huhn Group to determine whether its QM system and quality assurance measures meet the requirements of the Huhn Group by carrying out audits. After consultation, a system, process or product audit can be carried out. The SUPPLIER accepts access, if necessary, to all relevant operating sites, warehouses, test centres and the inspection of all documents relevant to quality and work.
The SUPPLIER will be informed of the audit results. If, in the opinion of the Huhn Group, measures are necessary, the SUPPLIER undertakes to draw up an action plan and to implement it in due time and to inform the respective Huhn location thereof.
Likewise, the SUPPLIER shall provide the Huhn Group with the possibility of an audit at its sub-supplier if this is requested by the Huhn Group.
The SUPPLIER is required to internally review the effectiveness of the improvement programme as part of the self-audit. A self-audit should be carried out at regular intervals and like a process audit. In principle, outsourced processes are also to be taken into account.

If quality problems arise, the Huhn Group reserves the right to carry out an audit at its supplier's premises outside of the audit planning.

System audits: depending on the applicable standard (e.g., IATF 16949, DIN EN ISO 14001, DIN EN ISO 3834-2)
Process audits: VDA 6.3 in the respective valid version
Product audits: VDA 6.5 in the respective valid version

The quality guidelines and standards agreed with the Huhn Group are binding for the SUPPLIER.

1.8 TARGET AGREEMENTS

(IATF 16949: Chapter 6.2)

All products must be subject to the agreed quality and comply with the specifications, drawings, data sheets and, if applicable, samples. The SUPPLIER is aware of the compliance with the characteristics and quality and will check for obvious errors, ambiguities, incompleteness or other deviations in a submitted description, such as specifications, drawings, etc. and will notify the Huhn Group in writing before commencing the manufacturing process.
The SUPPLIER is committed to the zero defect target and must continuously improve its performance to this end.
This goal must be pursued with suitable measures, such as consistent advance quality planning and suitable series monitoring, if possible. The focus must be on defect prevention. If necessary, annual ppm targets are set in a ppm agreement. Claims for defects of the Huhn Group will not be affected to the SUPPLIER in case of defective products.

2 PRODUCT AND PROCESS DEVELOPMENT

2.1 PROJECT MANAGEMENT

(IATF 16949: Chapter 8.1)

SUPPLIERS should be involved in quality planning as early as possible, if possible. If the SUPPLIER is involved in the development for a specific project, the tasks and responsibilities, as well as the person responsible for the project, must be agreed upon in interface agreements, e.g., a specification sheet, and named in writing. This planning includes both the parts manufactured by the supplier and his purchased parts. Furthermore, the supplier has the obligation to include the customer requirements and other information contained in all required product descriptions (such as specifications, drawings, internal standards, etc.). Specifications and/or special features must be consistently marked in all relevant product and process documents, such as drawings, FMEA, risk analyses, work plans, test plans and production control plans. The Huhn Group requires systematic planning according to VDA RGA or AIAG APQP as part of project management. This planning includes both the products supplied by the SUPPLIER and its purchased parts or outsourced processes. Special arrangements are possible with the agreement of the supplier.

2.2 REQUEST AND PROCESSING DOCUMENTS

(IATF 16949: Chapter 7.5)

The SUPPLIER receives technical documents (e.g., 3D data, drawings, specifications, requirement specifications, customer requirements and standards, test specifications) with the enquiry from the Huhn Group. The SUPPLIER must request any missing documents in writing in order to prepare an offer.
The SUPPLIER shall ensure via its change management that all departments concerned always have the latest valid documents sent by the Huhn Group at their disposal. Invalid or updated documents must be marked as such and withdrawn from circulation or released accordingly.
At the SUPPLIER's request, the Huhn Group offers the SUPPLIER technical support from the respective specialist departments. If the SUPPLIER recognises that the design specified in the technical documents or the prescribed test procedures can be replaced by more suitable, more economical and/or more effective ones, the Huhn Group expects corresponding proposals.

2.3 SCOPE OF SUPPLY

The SUPPLIER has clearly taken into account the respective enquiry documents of the Huhn Group in its offer. Any deviations from these enquiry documents must be clearly marked by the SUPPLIER.

2.3.1 PRODUCIBILITY ANALYSIS

(IATF 16949: Chapter 8.2.3)

The SUPPLIER shall check the manufacturability of the product on the basis of the technical documents submitted to him. For this purpose, all features of a drawing or a specification are to be evaluated and confirmed individually. The analysis also includes the examination of the economic and processable manufacturability.
The producibility analysis must be prepared before the tender is submitted and is a prerequisite for the award of the contract. The result of the producibility analysis shall be clearly documented and signed by all parties involved.

2.3.2 SCHEDULE
(IATF 16949: Chapter 8.1)

The SUPPLIER shall draw up a schedule including resource planning, which shall be project-related. The scheduling of the subcontractors must be included. This schedule is to be presented to the Huhn Group with the final offer and contains the following criteria:

- Producibility analysis
- Calculations (e.g., simulations)
- Process flow chart
- Process FMEA/if applicable, product (design) FMEA
- Production control plan (PLP)/test plan
- Resources for monitoring and measurement
- Tool schedule incl. regular updating
- Correction phase/optimisation loops SUPPLIER
- Project-related milestones incl. milestones of the CONTRACTOR
  - Date of the initial sampling
  - Workplace approval/internal process audit according to VDA 6.3
  - Start of Production (SOP)

Changes to the schedule may only be made in consultation with the Huhn Group and must be notified sufficiently in advance.

2.4 ORDER
(IATF 16949: Chapter 7.5)

The SUPPLIER receives the binding, approved technical documents (e.g., 3D data, drawings) from the Huhn Group with the order. The SUPPLIER must check the documents and is obliged to inform Huhn Group in writing of any changes found compared to the status of the enquiry.

2.5 DOCUMENTATION AND INFORMATION OBLIGATION
(IATF 16949: Chapter 8.2)

The supplier undertakes to inform the Huhn Group immediately in writing in the event of non-compliance with, for example, quality features, delivery dates, call-off quantities, etc. The Huhn Group shall be informed immediately of any deviations. In the case of subsequent deliveries or deviations detected upon delivery, the supplier is also obliged to inform the Huhn Group immediately. The supplier shall disclose all necessary and relevant data and facts and initiate its internal escalation process.

Documents and sample parts related to quality assurance measures shall be kept for at least 30 years. Further legal and official retention periods must be observed.
If the Huhn Group wishes to inspect the documentation or samples, the supplier is required to hand them over.

The supplier shall regulate the control of data and documents, as well as the handling of deviations, in a corresponding instruction and implement it effectively.

2.6 SPECIAL FEATURES

(IATF 16949: Chapter 8.2.3.1.2/8.3.3.3)

Special features require special attention, as deviations in these features can have a particular influence on product safety, service life, assembly capability, function or the quality of subsequent manufacturing operations as well as legal regulations.
Special features are determined by the Huhn Group and/or by the customer from the Huhn Group and/or result from the risk analysis of the LIFERANT, e.g., from the product (design) and/or process FMEA.
Special features specified by the Huhn Group are to be evaluated in the FMEA with a corresponding significance number according to FMEA AIAG in the respective valid edition.
Special features are to be identified by the SUPPLIER and marked in all relevant product and process documents (e.g., drawing, FMEA, risk analyses, test and production control plans) and must be given special consideration and monitored in all relevant planning steps. For the verification of special features, the scope and storage time of the necessary documents must be defined accordingly. (See also VDA Volume 1, in the respective valid edition).

The classification is applied at Huhn Group as follows, or transferred by customer requirements:

- **#1** Feature: Critical, safety feature

Product or process feature with influence on safety or if legal regulations (or a safety classification according to ISO 26262) exist. The supplier undertakes to install a verification system for products with #1 features. The content of the verification system must comply with the requirements of VDA Volume 1 so that he can provide proof of discharge. In the case of products that are subject to a minimum shelf life, such as raw materials, this must be indicated on the delivery note.

- #2 Feature: Significant-, Functional Feature

Product or process feature without influence on safety but influence on assembly/function or significant influence on customer satisfaction (or QM rating according to ISO26262).

- **#3** Feature: Standard minor feature

Product/process feature without influence on safety, assembly, function or legal requirements.

In the case of products that are subject to a minimum shelf life, such as raw materials, this must be indicated on the delivery note.

2.7 PROCESS FLOW CHART

(IATF 16949: Chapter 8.3.5.2)

The SUPPLIER shall draw up a process flow plan for the entire process chain. This process flow plan is to be presented by the Huhn Group for joint discussion upon request before the start of series production. This process flow plan must be consistent with the product (design) and/or process FMEA and the production control plan. Outsourced processes must be listed as a component in the process flow plan.

2.8 FMEA ("FAILURE MODE AND EFFECT ANALYSIS")

(IATF 16949: Chapter 8.3.5)

An FMEA is used to identify potential defects in the development and manufacture or assembly of a product or component in new manufacturing processes. The resulting risks are to be evaluated and avoided by taking appropriate measures.
An FMEA is carried out in multidisciplinary teams.

An FMEA must be prepared or revised on the following occasions:

- Development/production of new parts
- Introduction of new manufacturing processes
- Relocations
- Subscription changes
- Change in production processes
- for error prevention.

When creating an FMEA, at least the following points must be considered:

- Special features
- Material mix-up and mixing
- Variety
- Separation of defective parts, rework parts, adjustment/set-up parts and sample parts
- Technical cleanliness
- Lessons learned from similar products and processes.

The FMEA shall be carried out according to the methodology described in the VDA Volume 4 or AIAG FMEA Manual in the respective valid version.

2.8.1 PRODUCT (DESIGN) FMEA

A product (design) FMEA shall be carried out for all articles developed under the responsibility of the SUPPLIER.

2.8.2 PROCESS FMEA

The SUPPLIER shall prepare a process FMEA for all process steps of an item. In doing so, the special features and the results of the product (design) FMEA shall be particularly considered and evaluated. Furthermore, the process FMEA shall be updated in case of changes and complaints.
The FMEA shall be submitted to the Huhn Group for inspection upon request. Proof of the creation of an FMEA must be provided with a corresponding cover sheet as part of the initial sampling at the latest. The minimum requirements are information on initial installation, change status, FMEA team as well as the result of the FEMA (preferably according to AIAG standard in the respective valid version or according to customer specification).

2.9 PRODUCTION CONTROL PLAN (PLP)

(IATF 16949: Chapter 8.5.1.1)

The production control plan must be derived from the FMEA and must have implemented all quality-relevant assessed characteristics. Basically, a PLP is a planning tool.
The creation of a PLP takes place in an interdisciplinary team and includes incoming goods, first part, intermediate and last part inspections as well as requalification inspections and inspection intervals.
A first part inspection/first piece inspection is carried out with each new production order. Final part inspections must be carried out at the end of the order. For production orders that last longer, inspections analogous to the inspection scope for first and last part inspections must be carried out at the latest in the middle of the production time (intermediate inspections).
The results and experience of similar processes and products shall be taken into account when drawing up the production control plans. The production control plan shall be drawn up in accordance with IATF 16949 for each of the prototype, pre-series and series phases.
The layout of the production control plan must comply with the specifications of the automotive industry according to IATF 16949 Annex A2.

2.10 TEST PLANNING

(IATF 16949: Chapter 8.5.1)

The inspection plan is created on the basis of the production control plan. The inspection plan shows all the characteristics to be inspected with the associated inspection equipment and the inspection frequency for each operation.

For special features (**#1** and #2), machine and process capability studies (cmk and cpk) are to be scheduled and documented. The planning shall also take into account the identification of training for employees and, if applicable, the set-up of workstations with regard to statistical process control (SPC, control chart technology).

2.11 RESOURCES FOR MONITORING AND MEASUREMENT

(IATF 16949: Chapter 7.1.5.1.1)

The SUPPLIER must define the test methodology with the corresponding and, if necessary, coordinated test equipment for all characteristics to be tested resulting from the production control plan. The procurement process must be planned in such a way that the necessary test equipment is available for the pre-production start and the test process suitability is proven (MSA).

The SUPPLIER shall prepare the verification in accordance with the requirements of VDA Volume 5 or AIAG MSA, as amended from time to time. The records for the inspection equipment monitoring of all measuring and inspection equipment as well as gauges are to be kept.

2.12 STATISTICAL PROCESS CONTROL (PROCESS CAPABILITY AND PROOF OF CAPABILITY)

(IATF 16949: Chapter 8.3.5.2/9.1.1.1)

The quality capability of the processes is assessed by the process and machine capability.
For all special characteristics and, if applicable, for further agreed test characteristics, the SUPPLIER must introduce suitable safeguards and make these available to the Huhn Group on request.

The SUPPLIER undertakes to continuously evaluate its processes and process flows by means of suitable methods, in the best case software-based (CAQ), to analyse errors and to implement suitable corrective measures in order to maintain and improve the process capability. All requirements and demands for the zero-defect strategy are to be fulfilled.

If neither the process capability Cpk > 1.33 can be demonstrated nor a 100% test is possible, compliance with the specifications shall be demonstrated by other measures, e.g., process parameter monitoring and its documentation. Non-measurable characteristics shall be tested in a suitable manner and with an appropriately increased frequency.
The performance of the machine capability study (MFU) and the process capability study (PFU) is regulated in the VDA Volume 4: "Assuring Quality in the Process Landscape" and the AIAG publication SPC.

Provided that there are no further, more stringent requirements from the Huhn Group's customers, the following minimum requirements for capability parameters apply as proof of process capability:

- Machine capability/ Short-term process capability **Cm/Cmk ≥ 1.67**
- Preliminary process capability **PP/Ppk ≥ 1.67**
- Process capability / long-term process capability **Cp/Cpk ≥ 1.33**

Deviating demands (e.g.: due to customer demands) are coordinated by the Huhn Group with the supplier.
Upon request, the Huhn Group will receive the documentation regarding SPC or the 100% inspection.

The performance of the machine capability test (MFU) and the process capability test (PFU) is regulated in the VDA Volume 4 and the AIAG SPC document and must be performed as part of the sampling. Deviating requirements for process capability or process capability index are agreed separately.
The PFU is documented by the SUPPLIER in the current series and made available to the Huhn Group on request.

If the process capability cannot be maintained, the SUPPLIER is obliged to inform the Huhn Group and immediately carry out 100% checks to prevent the delivery of faulty parts.

2.13 REQUIREMENTS FOR SUBSTANCES AND MATERIALS

(IATF 16949: Chapter 8.3.4.4/8.4.2.2)

All purchased parts, substances and materials used for the subject matter of the contract in the production of the SUPPLIER as well as the processes required for the manufacture of the products must comply with the respective applicable statutory regulations and official requirements, e.g., with regard to environmental protection and safety, which apply in the country of manufacture, the country of distribution and the country of destination. Furthermore, the regulations in chapter 10 apply.

-Compliance with REACH Regulation (EC) No 1907/2006
The Huhn Group expects an avoidance of substances of very high concern (SVHC) listed in Annex ⅩⅠⅤ or on the candidate list in Annex ⅩⅤⅡ. This also applies if such a substance is only added to the candidate list during the ongoing supply relationship.

-compliance with ELV Directive 2000/53/EC ("End-of-Life Vehicles Directive", incl. Annex □).
According to § 8 para. 2, materials and components of vehicles must not contain lead, mercury, cadmium or chromium（□)-compounds.

-CLP Regulation EC 1272/2008
The CLP regulation has the objective of ensuring human health and environmental protection. Should the classification or labelling of the delivered substances change due to other laws or regulations, this must be passed on to the Huhn Group immediately. In addition, the safety data sheet must be sent proactively to the Huhn Group within the legal deadlines.

-compliance with the substance negative list according to the respectively valid GADSL (https://www.gadsl.org/).
Chemical substances listed in the current GADSL must be reported to HUHN GROUP within 45 days.

-Certification and Compliance Dodd-Frank Act, Section 1502 (Conflict Minerals)
Importers of tin, tantalum, tungsten and gold for the production of consumer goods must be certified by the EU to ensure that they do not fuel conflicts or promote human rights abuses in conflict zones.

-IMDS (international Material Data System)
The supplier shall provide correct and complete material data sheets in the International Material Data System (IMDS) for all delivered substances, substance groups and articles. www.mdsystem.com
On request, SUPPLIER will show suitable recycling and disposal concepts for its products.

With each delivery, the SUPPLIER shall send the current safety data sheet to the Huhn Group Purchasing Department without being asked to do so. In case of changes recorded in the meantime, the Huhn Group will receive the updated version without being asked. If an acceptance test certificate 3.1 according to DIN EN 10204 is required according to the order documents, this is to be prepared by SUPPLIER and sent without being requested. In the event of deviations, this must be sent within one day at the request of the Huhn Group.

3 RESULT OF PRODUCT AND PROCESS DEVELOPMENT

3.1 SAMPLING OF PROTOTYPE AND PRE-SERIES PARTS

(IATF 16949: Chapter 8.3.4.3)

Prototype and pre-series parts are products which are not completely manufactured under series conditions. The SUPPLIER shall sample such prototype and pre-series parts in accordance with VDA Volume 2 or AIAG PPAP or as agreed with the customer.

3.2 INITIAL SAMPLING

(IATF 16949: Chapter 8.3.4.4)

The initial sample documentation according to the required presentation levels (usually presentation level 3 or according to the customer's requirement) is to be delivered at the same time as the initial samples.
Deficient or missing initial sample documentation can lead to a negative supplier evaluation. Initial samples without complete documentation will not be accepted and processed and may lead to subsequent costs which will be charged to the supplier. In the event of deviations, the SUPPLIER must obtain written approval from the Huhn Group in advance and attach it to the submission.

For initial orders of new products, the SUPPLIER shall provide samples for Europe in accordance with VDA Volume 2 (Production Process and Product Release PPF) and for NAFTA countries in accordance with AIAG PPAP, unless otherwise specified by the Huhn Group. Alternatively, the sampling scope can also be agreed between the Huhn Group and the SUPPLIER by means of a joint agreement.

The initial sampling includes the use of the series tool, the series plant machines and devices. Compliance with the series parameters and cycle time at the series production site, series packaging and logistics must also be observed. Furthermore, initial sampling must be carried out by personnel who will also be used for further series production and who are trained in accordance with the work and test instructions. All required materials, products and processes must be approved. The SUPPLIER must record, document and archive the process parameters set during initial sampling and add them to the internal sampling documents.

For all special characteristics and, if applicable, for further agreed test characteristics, the SUPPLIER must carry out and document detailed analyses of the suitability of the production facilities and test equipment used as well as process capability tests. For the determination of the machine capability MFU, all parts used must have the same prerequisites and be manufactured consecutively. For normal distributions, a sample of at least 50 pieces shall be selected.

The evaluation of the preliminary process capability PPU shall be presented for the first time when at least 25 random samples with five measured values each are available. For the required limit values, the information from chapter 2.12 applies.

For all safety-relevant components, the requirements of IATF 16949 (Chapter 4.4.1.2) must be complied with and taken into account accordingly in the supply chain.

Series delivery may only take place after the initial sample has been approved.
The submission level for sampling according to VDA or PPAP is determined by the Huhn Group when the order is placed. The exact requirements can be found in the order documents (drawings, technical specifications, standards, etc.).

The use of external laboratories is only permitted if they are accredited according to ISO/IEC 17025 (or nationally comparable).

The sampling documents are to be sent to the Huhn Group in electronic form. In the case of tests that take longer (e.g., salt spray test), we request the note "Result TEST will be submitted later".

3.3 RESERVE SAMPLE/RESET SAMPLE

(IATF 16949: Chapter 8.5.1.1)

At least three undamaged reference samples/reset samples are stored safely by the SUPPLIER and protected from environmental influences. Should external appearance, surface or similar be relevant for the processes of the Huhn Group, the reserve samples shall be considered as reference (e.g., laser welding: laser light transmission).

4 ENSURING THE PRODUCT AND PROCESS QUALITY

The responsibility for the use of effective systems for monitoring and continuous improvement of process and product quality lies with the SUPPLIER.

As far as technically possible, monitoring methods shall be used which necessarily prevent the delivery of defective products.

4.1 DELIVERY OF GOODS AND INSPECTION

(IATF 16949: Chapter 8.6.4)

The SUPPLIER is responsible for the outgoing inspection and thus for the flawless delivery in accordance with the specifications.

The Huhn Group limits the incoming goods inspection for deliveries of the SUPPLIER to the determination of deviations in the compliance with quantity and identity of the ordered contractual products as well as transport and packaging damage. Any deviations and damage detected in the process will be reported immediately. In this respect, the Huhn Group is released from the obligation to inspect and give notice of defects (in accordance with § 377 HGB).

In addition, the Huhn Group will inspect the delivered goods during production in accordance with the conditions of a proper business process and notify the SUPPLIER of any defects that occur immediately after they are discovered.
The SUPPLIER waives the objection of delayed notification of defects to this extent.

The SUPPLIER is advised that it is in his interest to coordinate the above provisions with his liability insurer.

4.2 CONTROL OF DEFECTIVE AND SUSPECT PRODUCTS

(IATF 16949: Chapter 8.7/10.2.3/10.2.6)

If a defect is detected by the Huhn Group or a customer of the Huhn Group, a notification of the complaint will be made by means of a test report and/or a written notification. Defect samples will be sent to the SUPPLIER or made available at the Huhn Group for inspection, insofar as this is possible for the Huhn Group with reasonable effort.

The SUPPLIER will be informed whether the defective goods can be installed at the Huhn Group under reservation or sorted out. Reworking is generally not permitted and always requires prior agreement with the Huhn Group. The SUPPLIER is still responsible for the conformity of the goods according to specifications within the scope of an approved rework. The SUPPLIER is obliged to sort out and/or replace defective deliveries at its own expense so that no damage occurs for the Huhn Group. A reasonable time frame for any actions will be specified by the Huhn Group.
The SUPPLIER must clarify whether further defective products are in transit to Huhn or are already at Huhn Group and must inform Huhn Group immediately.

The SUPPLIER must inspect its own stock for defects and, if necessary, sort out or scrap it. It must be ensured that no further defective products are delivered to the Huhn Group. The SUPPLIER must ensure that products to be scrapped cannot be reused. The Huhn Group can carry out scrapping of defective products delivered directly on site in coordination with the SUPPLIER. If requested by the SUPPLIER, this will take place under the supervision of a representative of the SUPPLIER. The scrapping costs shall be borne by the SUPPLIER.
If the SUPPLIER detects faults on his premises, which may also affect goods already delivered, the Huhn Group must be informed immediately. Immediate measures must be implemented and communicated immediately.

Upon receipt of the complaint, SUPPLIER shall submit all measures (e.g., immediate measures, medium and long-term corrective measures) to the Huhn Group in the form of an 8D report. (See VDA Volume 8D Problem Solving in 8 Disciplines), The immediate measures (the 3D report) to be reported within 24 hours. Other affected plants of the Huhn Group are to be informed immediately by the supplier.
The root cause analysis with corrective measures and effectiveness check (4D-8D report) must be sent to the respective Huhn Group location within 10 working days.
When analysing the causes, SUPPLIER shall use appropriate methods (e.g., Ishikawa cause-effect diagram, 5-Why, etc.).
Should the effectiveness of corrective or remedial measures not be proven within 10 working days, the Huhn Group must be informed immediately in writing.
Huhn Group reserves the right to review the effectiveness.

If deliveries of non-specification-specific products lead to production standstills on the part of HUHN GROUP or its customers, the supplier must, in coordination with HUHN GROUP, provide a remedy by means of suitable immediate/corrective measures to be borne by the supplier. These could be e.g.: replacement deliveries, sorting, reworking, additional shifts or special trips/urgent transports, etc.
If more complaints arise or complaints or the like are not properly processed or answered, visits and quality discussions may take place with the SUPPLIER.
If necessary, corresponding audits can be carried out at the SUPPLIER. The Huhn Group reserves the right to charge the SUPPLIER for the resulting additional expenditure.
Claims for damages and follow-up costs resulting from the complaints will also be charged to the SUPPLIER.

4.3 WARRANTY MANAGEMENT -DAMAGE PART ANALYSIS FIELD (NTF)

(IATF 16949: Chapter 10.2.5/10.2.6)

In the event of field complaints, a method for analysing damaged parts must be applied in addition to the 8D report, including a no-trouble-found process (NTF) including a report on the parts returned. The SUPPLIER must communicate the results of the analyses, findings and measures both internally and to the Huhn Group.

4.4 ESCALATION LEVEL

(IATF 16949: Chapter 8.4.2.5)

In the event of defective quality of the supplies, the Huhn Group reserves the right to take action in accordance with the escalation model for supplier/purchased parts.
The Huhn Group reserves the right to invoice the SUPPLIER for the costs of the additional expenses incurred due to extraordinary supplier development (e.g., event-oriented supplier audit).

- Escalation level 0
Standard handling in the 8D process - Increased attention in incoming goods at the Huhn Group

- Escalation level 1
Escalation to the head of quality assurance of the affected Huhn Group plant
On a case-by-case basis, an additional 100% test of the products and characteristics concerned can be specified (HUHN GROUP-CSL1). The tested products as well as the packaging must be labelled separately. The type and content of the labelling must be agreed with the Huhn Group.

- Escalation level 2
Escalation to the quality assurance management and plant management of the affected HUHN GROUP plant. On a case-by-case basis, an additional 100% inspection of the affected products and features by an external service provider or by HUHN GROUP can be determined (HUHN GROUP-CSL2). The commissioning of the service provider or the HUHN GROUP is carried out by the supplier. The supplier shall prepare sorting instructions for this, which must be approved by the Huhn Group beforehand. He is responsible for the proper execution of the sorting work, the documentation of the results and the quality of the delivered products.
The tested products shall be labelled separately, as shall the packaging.

- Escalation level 3
Escalation to the management of the Huhn Group. (Management, Purchasing Management, Head of Quality Management) Further measures are initiated on a case-by-case basis:

- Quality talk
- Resident Engineer
- Status Blocking for new business
-

The Huhn Group reserves the right to inform the responsible certifier of the supplier or the customer at this stage of escalation.

- Escalation level 4
Establishment of an alternative supplier. Withdrawal of the supply contract. Targeted reduction of the supplier

5 TRACEABILITY AND DOCUMENTATION

5.1 TRACEABILITY

(IATF 16949: Chapter 8.5.2.1/8.5.4.1)

The SUPPLIER has to ensure the production labelling, the traceability and the complete quality proof of all materials, manufacturing processes and products by suitable measures. This also includes compliance with the FIFO principle throughout the entire supply chain.

The traceability is to be selected in such a way that in the event of a defect it is possible to isolate the defective products at least as far as the corresponding load carrier.

If, in exceptional cases, the supplier cannot meet the required specifications, he must obtain a special release from the relevant Huhn Group plant before delivering the products concerned. A suitable special release document is to be prepared by the SUPPLIER.
The SUPPLIER shall initiate, maintain and improve improvements of any kind in the process or related to quality and within its capabilities.

Traceability should be ensured through labelling. If a non-conformity has occurred, the containment and traceability of the defective parts (product, batch, date,...) must be ensured.
The delivery note number must be used to ensure traceability throughout the entire process chain.

The labelling of the products must be in accordance with the agreement with the Huhn Group. The labelling of products, packaging or other, must be chosen in such a way that they are still legible both after transport and after storage. The marking should be chosen in such a way that the produced part can be isolated down to its production layer and confusion is excluded. The marking of test and measuring equipment is carried out within the appropriate framework and is subject to proper inspection, repair/maintenance or a corresponding function check. (See also VDA 4902)

5.2 RECORDING DEADLINES

(IATF 16949: Chapter 7.5.3.2.1)

The SUPPLIER must carry out documentation in a suitable form (fireproof and loss-proof), possibly proving the care exercised (proof of discharge).

Documents and sample parts related to quality assurance measures shall be kept for at least 30 years. Further legal and official retention periods must be observed.
If the Huhn Group wishes to inspect the documentation or samples, the supplier is required to hand them over.
The control of data and documents, as well as the handling of deviations, is regulated by the SUPPLIER in a corresponding instruction and effectively implemented.

A retention period of eighteen (18) years after the end of series production (End of Production = "**EOP**") applies to all technical documents, as well as appropriate document management that meets the requirements of data protection, and archiving of quality records. Longer retention periods (up to 30 years) are recommended against the background of the limitation periods for product liability claims. The retention period for all other quality-related data is three years, starting at the end of the year in which the data was created. The corresponding quality records must be submitted to the Huhn Group immediately upon request.
The content of the proof must comply with the requirements of VDA Volume 1 so that it can provide proof of discharge.

Archiving must ensure access to the data during the retention period.

6 REQUALIFICATION EXAM

(IATF 16949: Chapter 8.6.2)

The Huhn Group requires an annual requalification test, unless otherwise agreed. The requalification must be carried out to the full extent of the initial sampling. The SUPPLIER shall carry out the requalification test without being requested to do so and shall make the documents or extracts available to the Huhn Group on request. The first requalification is after one year, after series release, and has to be carried out in an annual rhythm thereafter.

7 CHANGE MANAGEMENT

(IATF 16949: Chapter 8.2.4)

The SUPPLIER shall take into account that already at the time of the submission of the offer the equipment and machinery used correspond to the product life cycle of the goods.
Likewise, the SUPPLIER is obliged to submit a statement in the event of a change and an assessment of whether the change may adversely affect the product for the Huhn Group.

The SUPPLIER may only implement the change after the approval of a change request, which he prepares himself, in connection with an initial sample release. The change approval of the Huhn Group must be attached to the corresponding sampling documents. The SUPPLIER's feedback to the Huhn Group is thus made with the completely filled out change and deviation document.

7.1 REASON FOR RENEWED PRODUCT AND PROCESS RELEASES/ SAMPLING

(IATF 16949: Chapter 8.5.6)

The supplier undertakes to provide prior information and renewed sampling on the part of the Huhn Group, inter alia, in the case of (cf. section 8.5.6.1 in accordance with IATF 16949 and VDA Volume 2 trigger matrix):

- Product changes
- Tool changes
- Use of a new tool
- Use of new or additional machines
- Process changes (any changes to the process not included in the PLP or approved by Huhn Group, such as rework).
- Material changes
- Subscription changes
- Relocation of production (relocation of sites and machinery)
- Change of a subcontractor of the SUPPLIER
- After the delivery ban was lifted
- Suspension of production > 1 year
- Suspension of delivery > 1 year

Exceptions in procedure and scope are only permitted in consultation with the Huhn Group.

7.2 PRODUCT LIFE CYCLE

(IATF 16949: Chapter 8.5.6)

The SUPPLIER must ensure that a product life cycle can be submitted to the Huhn Group upon request. All changes to the product or in the process chain must be documented in accordance with VDA Volume 2.

8 SUPPLIER MANAGEMENT

8.1 SUPPLIER EVALUATION AND MONITORING

(IATF 16949: Chapter 8.4.2.4)

The Huhn Group carries out a supplier evaluation of production material and external services at least once a year. The SUPPLIER can be informed of the results in writing if he so wishes. The declared aim is to give priority to working with "A" suppliers. If no evaluation as an "A" supplier has been achieved, measures are to be taken (e.g., creation and processing of an action plan, quality discussions, audits or similar) in order to provide the "A" delivery performance required by the Huhn Group.

8.2 SUPPLIER QUALIFICATION AND ITS DEVELOPMENT

(IATF 16949: Chapter 8.4.2.5)

When commissioning new SUPPLIERS for the first time, this is the starting point for supplier qualification. If necessary, new SUPPLIERS/CONTRACTORS are evaluated and qualified by means of a potential analysis according to VDA 6.3.

The goal of the Huhn Group's supplier development is to achieve a systematic improvement in delivery performance based on regular analysis over a longer period of time. The starting point for supplier development is the supplier rating, delivery reliability and the number and severity of complaints. If a SUPPLIER is conspicuous in one of these criteria within the past period under review, a detailed analysis of the actual situation is carried out on the basis of the available data, for example through supplier discussions, on-site visits, targeted inspection or request for documents, as well as the classification of the SUPPLIER into an escalation level according to point 4.4 Escalation level.

The attached problem solving methods can also be applied to existing SUPPLIERS in case of new projects, new processes, new materials, new product groups as well as changed customer requirements.

Continuous monitoring based on the regular supplier evaluation
Supplier visits/ quality talks (Event-oriented) supplier audits (according to VDA 6.3)
The SUPPLIER is currently blocked for new projects. Supplier audits (according to VDA 6.3) possible

This can also be done within the framework of a potential analysis.

The aim is to achieve a systematic and long-term improvement in delivery performance through suitable and effective measures, in particular to improve the SUPPLIERS' QM system, improve product quality, reduce costs and optimise delivery reliability or logistical processes.

8.3 SUPPLIER AUDITS ("SECOND PARTY" AUDITS)

(IATF 16949: Chapter 8.4.2.4.1)

Supplier audits can additionally be used for the following purposes:

- Supplier risk assessment (supplier risk assessment)
- Development of the SUPPLIER's QM system
- Product and process audits.

The determination of the need and effort, type and variant of supplier audits is based on the following criteria:

- Risk analyses
- Certification level of the QM system
- (regulatory) product safety requirements.

9 SUBCONTRACTOR MANAGEMENT

(IATF 16949: Chapter 8.4)

The manufacturer's responsibility for the purchased parts built into the end product lies with the supplier and thus the sub-suppliers also have a significant influence on the quality of the end product. The supplier must therefore implement everything that is organisationally and technically possible to ensure the product safety of its parts and those of its sub-suppliers and to minimise the risks of product liability.
Furthermore, the SUPPLIER is responsible for the development of its subcontractors. The SUPPLIER should manage its subcontractors and monitor their performance and has the necessary competencies and capacities. The regulations on subcontractors as described in chapter 1.7 also apply.

10 LEGAL AND REGULATORY REQUIREMENTS

(IATF 16949: Chapter 1/8.4.2.2)

The SUPPLIER must ensure that all applicable legal and official requirements of the exporting country, the importing country and the country of destination named by the customer are fulfilled. If the countries in question are not known to the SUPPLIER, he must enquire about them with the Huhn Group.

All references to legal and official requirements listed in this QAA are to be referred to the currently valid status.

11 PRODUCT SAFETY

(IATF 16949: Chapter 4.4.1.2)

The SUPPLIER shall appoint a Product Safety Representative (PSCR /PSB) and ensure his qualification and competences through appropriate training. Should the responsibility change, the SUPPLIER is obliged to inform the Huhn Group and to inform the new responsible person. The SUPPLIER must also pass on and ensure the product safety requirements to its sub-suppliers.

12 SEVERABILITY CLAUSE

If any provision or section of this QAA is or becomes invalid or unenforceable in whole or in part, this shall not affect the remaining provisions of this QAA. Instead of the invalid or unenforceable provision, a valid and enforceable provision shall be agreed which comes as close as possible to the objective of the invalid or unenforceable provision. The same shall apply to any loopholes.

13 SCOPE AND VALIDITY

(IATF 16949: Chapter 4.3.2)

The intention of the QAA is to pass on detailed information about requirements, expectations and quality assurance methods to the SUPPLIER, which are therefore binding and obligatory.
In addition, individual quality assurance agreements can be made between the business partners, the factories and the SUPPLIER or sub-supplier.
The QAA is authoritative for the business relationship between the supplier and Huhn Group.
The points listed by the Huhn Group in this QAA do not represent any restrictions of the applicable regulations, legal and official requirements.
This quality assurance agreement is valid for an unlimited period. It may be terminated in writing with 6 months' notice to the end of a quarter.
The validity of the quality assurance agreement shall, however, remain in force for all deliveries based on supply contracts concluded before the termination of this quality assurance agreement.
All previous quality assurance agreements of the Huhn Group which have been sent or published are invalid.

14 TISAX®
(Trusted Information Security Assessment Exchange)

TISAX® according to VDA-ISA. TISAX® serves a cross-company recognition of information security in the automotive industry. The inputs and results always remain under the control of the companies that are audited. This information security serves as a protection requirement for our customers and the OEM. Our SUPPLIERS are obliged to comply with the confidentiality and at least the valid requirement according to DIN EN ISO 27001 (information security) and to submit and comply with an implementation plan for TISAX®. In case of non-compliance, the Huhn Group must be informed immediately.

14 FINAL PROVISIONS

Changes and/or additions to the QAA must be made in writing to the Huhn Group.
Should whole or partial provisions be omitted or ineffective, the remaining provisions shall remain unaffected. In this case, the contracting parties shall agree on a valid provision. The same shall apply to any loopholes.
The QAA stands as the basis of our business relationship.
Further documents, such as terms and conditions of purchase and non-disclosure agreements, can be viewed and accessed at www.heinrich-huhn.de

15 APPLICABLE DOCUMENTS

Short designation	Title
AIAG APQP	Advanced Product Quality Planning and Control Plan
AIAG FMEA	Potential Failure Mode an Effects Analysis
AIAG MSA	Measurement Systems Analysis
AIAG PPAP	Production Part Approval Process
AIAG SPC	Statistical Process Control
DIN EN 10204	Metallic products - Types of inspection certificates
DIN EN ISO 9001	Quality management systems - Requirements / Quality management systems
DIN EN ISO 14001	Environmental management systems - Requirements with guidance for application
IATF 16949	Requirements for quality management systems for series and spare parts production in the automotive industry
VDA Volume 1	Documentation and Archiving/ Documentation and
VDA Volume 2	Ensuring the quality of deliveries
VDA Volume 4	Ensuring quality in the process landscape
VDA Volume 5	Test process suitability
VDA Volume 6.1	QM system audit
VDA Volume 6.3	Process audit

The reference documents listed are always valid in the latest version.

For supplier:

Company stamp	Date	Signature

For HHD/HPT:
Quality management:

Company stamp	Date	Signature

For HHD/HPT:
Purchasing:

Company stamp	Date	Signature

Huhn Group Holding GmbH

Hauptstraße 44
57489 Drolshagen | Germany
T: +49 (0) 27 63 81-0
F: +49 (0) 27 63 91 90 09

www.heinrich-Huhn Gruppe.de
info@heinrich-Huhn Group.de

Heinrich Huhn Group Germany GmbH

Hauptstraße 44
57489 Drolshagen | Germany
T: +49 (0) 27 63 81-0

Managing Director:
Dr Jan Dannenberg,
Andreas Radics, Andreas Rauh, Jens Lnage

Rev. no.	*Change date*	Changed *item resp*. page:	*Changing:*
1	14.05.2004	3.1 Audit	In the case of suppliers who are not yet certified according to DIN EN ISO 9001, VDA 6.1, QS-9000 or ISO TS 16949, or who cannot provide evidence of a positively completed audit by automobile manufacturers or renowned system suppliers, HUHN will, if necessary, carry out a review or potential analysis of the status of HUHN requirements on a Perform quality management (supplier audit).
		5.1.1 HUHN-specific components	The initial sample inspection report shall be submitted in accordance with the respective valid requirements QS-9000-PPAP (Production Part Approval Process), unless otherwise agreed, level 3 in each case, or VDA Bd. 2. (PPF).
		18 Period of validity	Additional item inserted: "Additional Freights". The additional freight paid by the supplier is to be recorded by the supplier and, in the case of a request to be provided by HUHN.
		19 Conditions of purchase	Replaced by item: "Period of validity", amended Sequence becomes from item 19 "Conditions of purchase", item 20
2	25.06.2004	1.0 / 1.1 Application	Recording location HUHN PressTech (incl. Logo Cover sheet)
		21 Revision	Inclusion of revision status as item 21
3	23.07.2004	8 Machines & Process capabilities	The reference "In the case of unilaterally limited characteristics, the the "zero"-removed limit to be used" has been removed.
4	02.12.2010	2 Requirements for quality and environmental management management system	Automotive specific requirements for CQI 09-15 (AIAG) guidelines attached.
		3.1 Audit	Omission of regulations from 6.1/QS9000 to TS16949, supplier audit supplement .6.3, the automotive-specific requirements CQI 09-15 (AIAG) guidelines as well as, on a case-by-case basis, our own or other requirements. special customer requirements are attached.
		20 Conditions of purchase	The reference "Our terms and conditions of purchase are available on www.heinrich-huhn.de retrievable" was inserted..;
		22 Information	Inclusion of "Information" as item 22
5	12.09.2017	Complete revision	Changes Revision and adaptation of the Huhn-guideline HHR 001 Quality guideline Supplier to the requirement of IATF :2016

6	27.06.2019	8.3 Escalation model supplier purchase parts	Changes Increased attention in the goods receiving department of the HUHN plant concerned.
7	06.10.2020	9.2.3 Code of Conduct	Changes Adding the top points - Compliance with laws and regulations - Prohibition of corruption and bribery - Respect for people's fundamental rights - Prohibition of child labour - Health and safety of employees - Supply chain
8	18.11.2022	Complete revision	New structure All subitems rebuilt IATF Chapter entered Validity updated