

**Quality Assurance Agreement**  
Agreement on the Assurance of Quality

between

INNO TAPE GmbH  
Hildesheimer Str.38  
31061 Alfeld / Leine

-in the following "INNO TAPE"-

and

XXX  
XXX  
XXX

-in the following the "SUPPLIER"-

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## Preamble / General regulations

This Quality Assurance Agreement concluded in mutual agreement describes the rights and obligations of the contract parties regarding the assurance of the quality of the processes and all supplied products.

Necessary measures and regulations for the quality and reliability of the products to be supplied and the services to be rendered are described in the QAA in order to ensure the expected delivery quality which has to be achieved in the final product at the end customer.

This QAA as well as all relevant agreements, amendments and supplements require the written form to be effective.

If individual provisions of this agreement are ineffective or lose legal effectiveness later-on, whether partially or completely, the validity and effectiveness of the remaining provisions are not affected. In this case, the legal provisions apply instead of the ineffective provisions

## 1. Field of application

This QAA applies for all parts and materials which the SUPPLIER supplies to INNO TAPE based on the orders which he receives from INNO TAPE during the term of this agreement and which he accepts. The SUPPLIER carries out the supplies based on the General Terms and Conditions of Purchase ([www.innotape.de](http://www.innotape.de)) of INNO TAPE GmbH.

The products must comply with the properties and condition agreed (e.g. description, specifications, data sheets, drawings, samples). The SUPPLIER checks immediately whether any description provided by INNO TAPE is faulty, unclear, incomplete or deviates from the sample. If the SUPPLIER identifies any such case, the SUPPLIER will inform INNO TAPE immediately in writing.

## 2. Principles and purposes

It is the purpose of this QAA to cooperate in partnership to comply with all quality requirements regarding the process and products to be supplied, to ensure smooth actions between our suppliers and INNO TAPE GmbH and to minimise also costs as a consequence.

## 3. General duties and obligations of the supplier

The SUPPLIER is principally committed to take the following quality assuring measures or render the following quality assuring services:

### 3.1. Quality management

Minimum requirement is an efficient certified quality management system in conformity with DIN EN ISO 9001:2015. Furthermore, this QM system has to be further developed according to IATF 16949:2016.

### 3.2. Environment

INNO TAPE is committed to protect environment and is certified in conformity with DIN EN ISO 14001:2015. Therefore, we expect also from our suppliers the commitment to environmental protection in form of an implemented environmental management system. This system shall be set up according to the requirements of ISO 14001 and/or the EMAS regulation. The supplier must comply with the respectively applicable regulation for environmental protection.

### 3.3. Quality objectives

To achieve the quality objective “zero defects”, the SUPPLIER must develop a “zero defect strategy” in the scope of the quality planning and must take all necessary measures to achieve this objective. The SUPPLIER defines internal and external quality objectives to assess the quality reached.

### 3.4. The SUPPLIER's obligation to provide proof and information

The SUPPLIER will facilitate to INNO TAPE to convince itself of the implementation of the quality assurance measures specified in section 3.1. For this purpose, the SUPPLIER will grant INNO TAPE access to his premises, if applicable, including to the premises of the customers INNO TAPE, in an appropriate scope and after previous agreement of a date and he will make available technically qualified employees as support during this visit. An inspection of procedures subject to secrecy and other trade secrets may be refused. The SUPPLIER undertakes to ensure these measures according to this clause at his subcontractors by way of corresponding agreements.

If manufacturing processes, materials or purchased parts for the products are changed or production sites are relocated and if processes or equipment for the inspection of the products or of other quality assurance measures are changed, the procedure to be taken depends on section 3.6 of this agreement.

If the SUPPLIER identifies increasing differences between the ACTUAL condition and the TARGET condition of the production, the SUPPLIER will inform INNO TAPE immediately thereon and on the remedies envisaged.

### 3.5. Technical standards Standards

Adherence at least to the "generally recognised standards of good practice", which mean for example the minimum requirements of products, processes and services specified in standards, industrial standards and rules as well as the standards usual for this industry.

### 3.6. Process and product approval / Initial sample test report (ISTR)

The process and product approval is carried out according to standard in compliance with VDA volume 2 (PPA - submission level 2), if not otherwise agreed in the order or other specific documents. Optionally, the SUPPLIER carries out sampling according to AIAG (PPAP – level 3), provided this is especially set out. First samples are products manufactured and inspected under series conditions.

If the SUPPLIER wishes to change or adapt conditions on which the series production approval is based, a previous approval by INNO TAPE GmbH is absolutely necessary. If sampling took place before series production approval, a new sampling must be carried out.

Parts of the first sample test report are expressly the entry of material data into the IMDS (International Material Data System).

The ISTR/ PPAP submission is necessary in case of:

- new parts
- product changes (design and material), or correction of a defect
- change of the production and testing process, tooling
- production relocations
- new subcontractors
- suspension of production of >1 year or delivery block by INNO TAPE

In case of planned changes, INNO TAPE must be informed in writing in time before any such change is implemented. A first sampling has to take place depending on the scope of change in conformity with the current PPAP reference manual or the current VDA volume 2 in agreement with INNO TAPE.

### 3.7. Product discontinuation

A supply for the entire life should be guaranteed for series manufacture. In case of an inevitable product discontinuation, the following shall apply: If the SUPPLIER plans to discontinue production of the contract products which INNO TAPE ever procured directly/indirectly, the SUPPLIER will inform INNO TAPE correspondingly in writing at least twelve (12) months before the last possible delivery date. To cover its residual need INNO TAPE may place orders for the contract products affected until six (6) months before the planned end of delivery at the latest.

## 4. Product development, planning, preseries production

### 4.1. Feasibility study

The supplier analyses the technical documents, as for example drawings, specifications, environmental requirements, performance specifications, etc. in the scope of the contract review.

The analysis includes the technical feasibility as well as the feasibility in terms of deadlines and the economical and process feasibility. The feasibility is deemed to be confirmed with submission of a quotation. In this scope, the SUPPLIER has to ensure the observance of the drawings, specifications, regulations, etc. on which the order is based. A corresponding emergency strategy has to be developed in the scope of the contract review.

The SUPPLIER undertakes to apply a project management already in the planning stage of products, processes and other cross-divisional duties and to grant access to the project schedule on request, even if this is not agreed in individual contracts. During the development phase, the contract parties are committed to apply appropriate measures for the advanced quality planning (e.g. APQP).

## 4.2. Process FMEA

The supplier prepares a process FMEA and assesses the producibility. Group FMEA's are permitted.

## 4.3. Production control plans – QM plan

The production control plan (PCP) is a planning mean for the preventive process validation. The PCP is prepared before start of series production and following a systematic analysis of the production, assembly and test processes in the scope of the project management. The preparation of the PCP in the scope of the advanced quality planning must take place according to VDA volume 4 (preparation of FMEA's, PCP's, test plans and capability proofs).

## 4.4. Serien production monitoring

Product and process characteristics of the SUPPLIER's processes must be monitored. Retention samples have to be taken from the respective productions. They have to be stored and presented on INNO TAPE GmbH's request.

## 4.5. Test planning

A test plan has to be prepared on the basis of the production control plan. All characteristics that have to be tested must be indicated in the test plan with relevant test equipment for each work and test process. The test frequency and the type of result documentation must be set out in the test plan.

## 4.6. Test equipment

Measuring instruments and test equipment must be available in sufficient number before series production. It is only allowed to use capable measuring systems (acc. VDA 5/ MSA).

## 4.7. Audit planning

The SUPPLIER has to carry out internal product and process audits in regular intervals. Audits have to be carried out at the subcontractor as well. Suppliers of electronic components must also perform ESD audits according to the applicable ESD standards in regular intervals.

The SUPPLIER documents the respective results as well as the measures initiated from the audit findings.

## 4.8. Maintenance

In order to ensure the ability to deliver, a system for preventive maintenance of the production and test equipment has to be developed.

In case of damages at tools and/or machine failures, the SUPPLIER ensures appropriate measures so that the supply of the required products to INNO TAPE GmbH is guaranteed. To avoid any process interruptions, the SUPPLIER has a preventive maintenance in place.

## 4.9. Logistics

The SUPPLIER is responsible for the planning of packaging. It has to be ensured that the product is not contaminated or damaged by external impacts during transport. The type of packaging has to be agreed with INNO TAPE in time before start of series delivery. The packaging must be marked so that it is clearly identifiable.

Raw parts, purchased parts from subcontractors and parts from the manufacture of the SUPPLIER have to be ensured verifiably according to the principle "First In – First Out".

The specified delivery dates and the ordered delivery quantities have to be observed. If deviations are foreseeable by the SUPPLIER, INNO TAPE must be informed in order to ensure the ability to deliverist.

## 4.10. Deviation approval (special releases)

The SUPPLIER is only allowed to deliver products in conformity with the specification, provided they are approved in writing by INNO TAPE, except if the SUPPLIER has requested a written deviation approval by INNO TAPE in time and has received a written approval of delivery before-hand.

Such deliveries have to be identified as special release; a copy of the approval of deviation has to be enclosed to the delivery documents. Additionally any necessary markings have to be agreed with INNO TAPE.

## 4.11. Qualification / requalification of the SUPPLIER

The SUPPLIER uses a qualification system with which he is able to verify the complete compliance with the specification and the reproducibility of the contract items. The inspection of representative products of a product family is sufficient if they have been manufactured on the same production systems with the same/similar material and the same processes.

It is necessary that the manufacturer requalifies his products in regular intervals (at least 1x per year) in order to ensure and prove that the products supplied comply with all agreed requirements also over a longer period of time. INNO TAPE may inspect the relevant quality reports on request or check them in a process audit.

If the SUPPLIER receives information on increasing differences between the ACTUAL condition and the TARGET condition, regarding weaknesses or defects of his products which have effects on the further processing (quality, reliability and operativeness) of INNO TAPE, the SUPPLIER will inform INNO TAPE immediately and communicate remedies that are planned or have been carried out.

This duty to inform does not apply in cases in which the defect was discovered and completely removed before the product has been supplied.

## 5. Defective Products

If the SUPPLIER suspects a delivery of defective products, he will immediately inform the scheduling and quality assurance divisions of INNO TAPE GmbH. If defective parts are supplied, the SUPPLIER ensures immediate rectification. If defective products of the SUPPLIER result in troubles or failures at the customer of INNO TAPE GmbH, the SUPPLIER compensates the costs accrued to INNO TAPE GmbH in connection with the defective products of the SUPPLIER.

The SUPPLIER reacts immediately in case of complaints by INNO TAPE GmbH. He will provide first comments in text form after expiry of a period of one working day at the latest.

It is possible that the SUPPLIER is asked for rectification and/or sorting at the premises of INNO TAPE GmbH in case of complaints. These measures shall prevent or avoid possible plant standstills. The SUPPLIER has to comply with this request the next working day at the latest. In individual cases, possible rectification must be carried out during the week-end; however, this will be discussed before.

Rectification and/or sorting may also be carried out by INNO TAPE GmbH or by another provider assigned by INNO TAPE GmbH if an urgent need for action exists due to delivery obligations, the production process of INNO TAPE GmbH, or if the SUPPLIER does not comply with a request for rectification and/or sorting at INNO TAPE GmbH within the deadline determined in the individual case. However, the SUPPLIER will be informed before such a substitute performance is rendered by a third party or INNO TAPE GmbH itself. Normally, INNO TAPE GmbH will obtain a previous consent of the SUPPLIER which may not be unreasonably withheld by the SUPPLIER before such a substitute performance takes place. If the SUPPLIER cannot be reached, INNO TAPE GmbH may start with the rectification and/or sorting or assign an external provider in case of a corresponding urgency. If INNO TAPE GmbH provides for the substitute performance by its own personnel, INNO TAPE GmbH is entitled to charge the SUPPLIER the expenses which incurred.

The assertion of claims for further damages taking into consideration the previously described efforts and expenses is reserved. The SUPPLIER may provide proof that INNO TAPE actually did not suffer from any damage or that only a small damage occurred.

In general, the proved efforts and expenses which are caused by complaints of the SUPPLIER are at the expense of the SUPPLIER.

Product specific agreements are defined by drawings, data or specifications and stipulated in the respective order.

## 6. Insurance

The SUPPLIER takes out product liability insurance, extended product liability insurance and recall cost insurance.

## 7. Confidentiality

The contract parties are committed to secrecy regarding such facts which they become aware of in the course of performance of this agreement and which refer to the operation of the other contract party, provided this contract party identifies the confidentiality of this fact or if this contract party has an obvious interest in its secrecy. This obligation is valid also beyond the term of this agreement.

If not otherwise agreed, this confidentiality obligation is valid for five years after termination of this agreement.

## 8. Products provided INNO TAPE and its customers

The SUPPLIER ensures that the products provided by INNO TAPE GmbH and its customers (tools, raw materials, measuring instruments, test equipment, etc.) are treated properly and according to their intended purpose of use.

## 9. Tools which are property of the customer

Tools, production equipment as well as test equipment which are property of INNO TAPE GmbH and which are stored with the SUPPLIER have to be identified durably so that the ownership is clearly identifiable or can be determined, if necessary.

## 10. Subcontractors

The SUPPLIER will analogously commit his subcontractors to the quality requirements described in this agreement.

If the SUPPLIER wishes to change the place of manufacture or the subcontractor, this has to be communicated to INNO TAPE GmbH and a corresponding approval has to be obtained. If the SUPPLIER wishes to change or adapt the conditions which resulted in the approval of series production, a previous approval of INNO TAPE GmbH is absolutely necessary.

The SUPPLIER is principally responsible for the development of his subcontractors. However, INNO TAPE GmbH reserves the right to audit also the subcontractors; nevertheless, the SUPPLIER is not discharged from his responsibility towards the subcontractor or INNO TAPE GmbH.

## 11. Term and coming into effect of the agreement

This QAA comes into effect on signature by both parties and is concluded for an indefinite period of time. It may be terminated by either party with a period of notice of 3 months by the end of the calendar year. The right to an extraordinary termination is not affected.

Any amendments or supplements as well as the termination of this agreement require the written form. If individual regulations are completely or partially ineffective or become ineffective, the effectiveness of the remaining provisions is not affected. The law shall apply instead of the ineffective regulation.

With the signatures provided below, all documents mentioned above are bindingly agreed and become part of the QAA.

For the SUPPLIER:

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Place, date	Name	Function
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For INNO TAPE GmbH, Hildesheimer Str. 38, 31061 Alfeld (Leine), Deutschland

Alfeld, \_\_\_\_\_

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Thomas Weiser  
Managing Director

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Manuel Prinz  
Management Representative | Quality, Environment, Work  
Safety