GLOBAL QUALITY ASSURANCE AGREEMENT
(ALLGEMEINE QUALITÄTSSICHERUNGSVEREINBARUNG)

concluded by and between

Gebauer & Griller Kabelwerke Gesellschaft m.b.H.

FN 50725 x

Muthgasse 36

1190 Vienna

Austria

hereinafter referred to as "**GG**",

and

Including all involved organizations in which the partner holds a stake, hereinafter referred to as the "**Supplier"**

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1. Objective

The objective of the Quality Assurance Agreement (abbreviated to QAA) is that of setting out the policy for assuring the quality of the products delivered to GG or to its subsidiaries.
A constant flow of information, the smooth implementation of processes, and the development of policies between GG and its partners should serve to improve the quality and satisfaction of both parties. Suppliers are an integral part of the GG Group Management System (IMS).

2. Scope of application

The QAA is valid between GG and its suppliers and applies to all deliveries to GG unless otherwise agreed.

3. List of abbreviations and definitions

AIAG	**A**utomotive **I**ndustry **A**ction **G**roup
BSR	Process sign off (PSO)/ **B**eurteilung **d**er **S**erienreife
CSR	**C**ustomer **S**pecific **R**equirements
EMS/ UMS	**E**nvironmental **M**anagement **S**ystem – **U**mwelt**m**anagement**s**ystem
GADSL	**G**lobal **A**utomotive **D**eclarable **S**ubstance **L**ist - www.gadsl.org
IATF	**I**nternational **A**utomotive **T**ask **F**orce
IMDS	**I**nternational **M**aterial **D**ata **S**ystem is a globally standardized exchange and management system for material data in the automotive industry.- http://www.mdsystem.com
ISIR/ EMPB	**I**nitial **S**ample **I**nspection **R**eport/**E**rst**m**uster-**P**rüf**b**ericht Documents the results of the inspection of initial samples before a series run
MAQMSR	**M**inimum **A**utomotive **Q**uality **M**anagement **S**ystem **R**equirements for sub-tier suppliers, issued by the IATF
PPAP	**P**roduction **P**art **A**pproval **P**rocess Approval process for the approval of production parts and the processes required for manufacture

PPF	Product and Process Approval (**P**rodukt- und **P**rozess-**F**reigabe) Approval procedure for the approval of production parts and the processes required for manufacture as per VDA 2
QAA	**Q**uality **A**ssurance **A**greement
QMS	**Q**uality **M**anagement **S**ystem
QTLV	**Q**uality **T**echnical **S**upplier **A**greement (Qualität Technische Liefer-Vereinbarung) – Defines the requirements and characteristics of the products, materials, and/or product groups supplied.
Quality Gate	100% checking of incoming goods by qualified staff and/or equipment
REACH	This ordinance is an EU chemicals directive and stands for the **R**egistration, **E**valuation, **A**uthorization and Restriction of **Ch**emicals
VDA	German Association for the Automotive Industry (**V**erband **d**er **A**utomobilindustrie) - https://www.vda.de / www.vda-qmc.de (applicable norms)

4. Development of a management system

Suppliers of GG must have defined and introduced a QMS; an EMS should also be implemented.

This applies to all suppliers, both for production plants (manufacturers) and for trade and service companies or brokers/agents.

4.1 Requirements for the Supplier's QMS

a) The Supplier is obliged to apply a management system certified as per ISO 9001 (current version) and which has been certified by a recognized and accredited body, and to further develop this in the sense of the IATF 16949/ MAQMSR, with the long-term objective of a third-party certification. The management system should cover all areas of the Supplier's business activities.

b) The Supplier's QMS is considered introduced as soon as the requirements under Point a) have been implemented and positively evaluated by GG (survey or, if necessary, an audit)

c) GG is to be provided copies of the respective valid certificates and any extensions or withdrawals without having to request this. This provision has to be done by the supplier through the email address supplier.certificates@gg-group.com

d) The Supplier must ensure that all sub-suppliers, whose products are delivered to GG, also maintain a QMS/EMS that corresponds to the requirements listed above.

e) Evidence of an introduced QMS/EMS flows into the assessment and selection of the Suppliers.

4.2 Requirements for the Supplier's EMS

The Supplier shall undertake to check its processes with regard to their environmental impact and further develop the environmental management system as per ISO 14001 or EMAS.

4.3 Customer-specific requirements (CSR)

Any customer-specific requirements from GG customers have to be checked by the Supplier regarding feasibility of implementation. After positive verification the Supplier is obligated to implement these in its existing QMS/EMS and, upon request, provide evidence of this (e.g. Formel Q Capability, etc.).

GG is responsible to provide the customer's CSR to the supplier.

5. Product and process development

The objective serves the fulfillment of customer requirements (technical, qualitative, and commercial requirements), as well as the development of a robust design and an economic, capable, and stable manufacturing process. Furthermore, the reliable fulfillment of the requirements must be assured through the validation of the product and process.

Reporting is carried out in coordination with GG based on the product's complexity (see feasibility study). *Scale of monitoring is performed as agreed upon between the Supplier and Supplier Quality Assurance of GG during project Kick-Off.* Depending on the individual agreement, this concludes using APQP or a maturity model including the adjusted GG milestones.

Contents:

- Determination of product and process requirements
- Feasibility assessment/ study
- FMEA validation
- Internal PSO (pre-series production)

To take into account:

- An internal process approval (pre-series production) is to be carried out.
  If an internal process approval is not possible due to time schedule etc., GG has to be informed as early as possible. In such cases an internal process sign off can be done together with GG instead.
- A process for the transfer of responsibility from development into the series has been established.
- A quality management plan is integrated into the development time schedule.
- Risk analyses are carried out throughout the product development process (if applicable / product design carried out by supplier).
- Product and process design reviews are to be carried out and certificates of suitability and approvals are available (if applicable / product design carried out by supplier).
- The implementation of the development project as per the QM methods described in VDA 4 [4] resp. AIAG standards, insofar as this is suitable and necessary.

5.1 Determination of product and process requirements

The Supplier has a process for taking into account and determining the customer's product and process requirements:

- Supplier-internal standard
- Standards
- Laws
- Environment
- Experiences from previous projects (lessons learned)
- GG specifications (e.g. Requirements specification, QTLV, design)

GG is responsible to provide customer specific requirements (CSRs) to the Supplier, which has to identify any uncertainties, missing, or incomplete information after doing a feasibility study, collate this in a structured manner and communicate the results to GG.

5.2 Feasibility assessment/manufacturability

With the submission of the bid (contract review), the Supplier must, insofar as nothing other has been agreed with GG, also submit a feasibility assessment. This feasibility assessment must assess all of the impacts and risks determined on the part of the Supplier. The Supplier can only be commissioned in connection with a positive feasibility assessment. Should the product change during the offer phase in the project flow, the feasibility must be reassessed by the Supplier.

If the Supplier does not submit a new feasibility assessment as part of the new offer, GG will assume that the change has no negative effect on the feasibility and/or risk assessment.

5.3 FMEA

The Supplier shall issue a Failure Model and Effect Analysis (FMEA). For the implementation of an FMEA the requirements of AIAG & VDA FMEA Handbook must be taken into account.

Suppliers commissioned with the development of products (development suppliers) shall also issue a "System and Product FMEA" for the "Process FMEA". In general the effort should be made to evaluate Action Priorities (AP), aim for a reduction in the probability of occurrence and entirely eliminating the chance of failure (e.g. Poka-Yoke, constructive measures, etc.). Measures and their effectiveness review are to be concluded at the start of the product's series at the latest.

5.4 Validation

In case the Supplier is responsible for the verification and validation of the design and of the process, the necessary development accompanying tests have to be performed and documented by the Supplier in test logs and in the development test plan (DVP&R) as per the GG requirements.

5.5 Internal PSO (process approval, process sign off)

The production process is generally assessed in relation to its suitability for production within the scope of a pre-series. A standardized process has been established by the Supplier regarding prerequisites, implementation, and the assessment of pre-series production.

Objective of the assessment of the pre-series production is the provision of certificates regarding:

- the process/quality performance of the entire production process under series conditions (preliminary process capabilities of test equipment and particular features, approved manufacturing equipment and tools, process conditions, work and test instructions, validation results, staff qualification, etc.).
- Suitability of the work and testing stations (ergonomics, 5S, etc.)
- Capacity consideration of whether the required OK parts can be delivered on time to GG with the staff and operating staff deployed.
- Suitability of packaging, transport, and storage containers/racks.

The scheduling must be presented within the context of process development planning; conditions for the implementation of pre-series production are to be determined between the responsible GG quality engineer (SQA) and the Supplier.
The decision to support pre-series production with GG employees is made depending on the result of a risk assessment, based on the results and experiences gained during the Supplier's product and process development.

The release of the pre-series production must be documented cross-functionally with signature and date. A positive result from the pre-series production is the prerequisite for the further issue of the series production control plans as well as sampling at GG. Depending on the complexity of the component the process may be checked by GG on Supplier site (BSR).

6. Supplier audit

a) GG reserves the right to perform system, process or product audits at the supplier. For this purpose, the supplier grants GG auditors or other delegated persons access to all relevant factories, test facilities, warehouses and adjoining areas during ongoing operations and agrees to inspection of all quality-relevant documents.

b) The GG auditor and/or the individual delegated by GG may, if necessary, be accompanied by a representative from the end customer.

c) GG will inform the supplier about the intention of the audits considering following priority:

- Regular VDA 6.3 Audit or system audit – 4 weeks ahead
- Regular “on site” visit – 2 weeks ahead
- Escalation audit or visit – 48 hours ahead

The visit will be held only after the Supplier’s confirmation.

d) The Supplier has the right to restrict the scope of the audit to an appropriate extent in order to protect confidential information. This particularly applies to the area of technical development, but not, however, to the manufacturing process applied to products purchased by GG.

e) With the signing of this document GG commits to treat any knowledge gained through the audit confidentially, including information from and regarding any sub-suppliers involved.

7. Sub-supplier management

a) The Supplier must ensure that all relevant system requirements and specifications of support services and/or products are forwarded to its sub-suppliers (e.g. QTLV, CSR, standards, statutory requirements).

b) GG reserves the right to carry out an audit on selected sub-suppliers, particularly in the case of quality problems in the services/products supplied caused by the sub-suppliers.

c) The sub-supplier has the right to restrict the scope of the audit to an appropriate extent in order to protect confidential information. This particularly applies to the area of technical development, but not, however, to the manufacturing process applied to products purchased by GG.

d) The Supplier must conclude similar agreements with its sub-suppliers to ensure the rights of GG named under b) and c).

8. Product and process approval

8.1 Initial sampling

a) Initial samples are products which are solely to be manufactured with series material under series conditions.

b) Initial samples must solely be produced with standard equipment.

c) The requirements for the initial samples (including documentation) must be defined in the respective specification or before the submission of the offer for every product/product group.

d) Customer-specific requirements for the product/process must be transferred and implemented by the Supplier within the entire supply chain (tier x Supplier).

e) Unless agreed otherwise, sampling of products has to done according VDA 2 Submission Level 2 or PPAP Submission Level 3.

f) In the case that the Supplier develops a new product for or with GG, a development plan must be coordinated with GG.

g) In the case of considered product or process changes the Supplier must inform GG in writing using an advice of amendment before drafts/specifications are modified or approvals are received for specification deviations, before the sampling process is started.

h) The samples presented must correspond to the current specification. The Supplier must clearly and explicitly list all of the deviations determined as part of the initial sample production in the initial sample test report.

i) Unless otherwise agreed, the following, and at least, however, one of the standard procedures for approval, are to be applied:

- Approval via material development (Materialentwicklung, ME)
- Approval via EMPB (PPF acc. to VDA2)
- Approval via PSW (PPAP acc. to AIAG)

j) Following a positive check, the Supplier will receive written approval from GG Supplier Quality.

8.2 Material data system

The Supplier is obligated to only use materials that comply with the requirements of all valid legal and safety regulations from the European Union and all relevant technical standards applicable in the producer country and internationally.

a) REACH

Material has to be chosen in compliance with all laws and applicable REACH regulations. The Supplier operates in compliance with the law and provides the certification that the material is confirming to the requirements.
Relevant information must be transmitted by the Supplier to GG without request.

b) IMDS / GADSL

All Suppliers in the automotive supply chain are obligated to maintain and update the required data in its IMDS account. The Supplier must list the product content materials on the IMDS portal as part of the initial sampling. The IMDS ID number must be provided on the EMPB coversheet.
The manufacturers in the automotive industry have compiled a list of materials which are prohibited or undesirable and must be declared. This list is described as a GADSL. It is the responsibility of the Supplier to meet the requirements set out therein.

IMDS ID GG: **11287 – Harness / 17916 – Wires**

9. Product requirements

Every production material purchased from GG is subject to a specification, which is defined e.g. in QTLVs or technical data sheets / standards / sketches / drawings. The products purchased from the supplier shall comply with these specifications.

GG will provide the Supplier with the latest version of applicable QTLV(s) at each inquiry.

Any changes or extensions made to QTLVs or other specifications have to be sent to the supplier to evaluate its effect on product and/or production processes.

Any requests by the supplier to change or extend QTLVs have to be listed in writing under ANNEX 1 – "Changes and extensions" and confirmed by both parties.

GG pursues the zero-defect principle and also expects its implementation throughout the entire supplier chain. In this regard, in coordination with the Supplier, additional agreements must be concluded as part of the nomination (ppm, Cost Recovery, etc.).

9.1 Quality characteristics

a) The quality characteristics are defined in the respective QTLV, in drawings, standards or specifications.

b) Values which may be provided in the QTLV, insofar as no limit values have been given, are to be understood as typical mean values/frequency distributions. If no date is listed, the most recent version of the respective norm/specification applies at the time of commissioning.

c) All of the end-customer-specific requirements applicable to the respective product must also be complied with. GG is responsible to provide the CSRs to the Supplier. If there are any conflicts, the supplier has to mention them after checking the requirements (feasibility study) within the offer / quotation.

9.2 Special characteristics

a) *Special characteristics (critical, safety-relevant, ...) of the delivered material can be found in the respective QTLV or drawing / specification sheet resp. have to be agreed upon in the course of project management / APQP between the parties and defined and recorded in the control plan.* These must be subjected to a constant process capability analysis by the supplier.

b) The requirements of VDA 2 PPF and / or AIAG PPAP relating to the process capability index must be complied with.

c) For process steps and/or machines that do not fulfill these criteria, *other solutions have to be implemented, e.g.* 100% tests for the corresponding characteristics.

d) Further requirements can be agreed in writing on an individual basis.

e) The Supplier must check the measuring devices used for the measurement of specific and process-critical characteristics at defined intervals, and issue a statistical proof of capability.

9.3 Packaging

The Supplier must ensure that all products are packaged and dispatched in line with the currently valid specification (QTLV, packaging data sheet …).

The Supplier has the right to optimize packaging (material, size, etc.) to aim towards more sustainability and efficiency. Any considered changes to packaging have be discussed between both parties in advance and have to be agreed upon before implementation.

9.4 Material supply by GG

If necessary a separate agreement is required for the quality assurance of the material provided by GG. If necessary, this agreement will be treated in the ANNEX to this QAA.

9.5 Deviation from the specification

a) In the case of a deviation from the specifications GG must be informed of this before the delivery of the affected product. The Supplier is prohibited from supplying products it knows to be faulty and must first request a deviation permit/special approval from GG.

b) Without this confirmation the material will be deemed faulty and treated as per Point 16. Complaints management and replacement deliveries. A positive usage decision can then, if necessary, be made subsequently following consultation with our development department.

10. Test reports and checking incoming goods

a) GG retains the right to demand, at any time, that the Supplier provide a material certificate as proof of delivered material's compliance with the GG quality requirements. The material certificate must correspond to the requirements of Standard EN 10204 for individual component groups and materials.
The content and details of the test certificates are described in the relevant product specification (QTLV, Datasheet, technical specification,…).

b) In order to ensure prompt receipt, the material certificates must either be sent with delivery documents (e.g. a delivery note) or electronically via email to the person responsible for checking incoming goods.

c) GG must immediately check the delivery documents following receipt of the goods in order to determine if the supplied goods and the amount of the order are correct. GG will also check the goods for damage to the packaging caused during transit.

d) Should GG discover damage or other defects while checking incoming goods or further on in the process, the Supplier must be informed of this by GG immediately.

e) Evidences related to damages caused during transportation must be documented immediately during goods unloading or at goods receipt and must be noted on the transportation documents. Responsibility depends on the Incoterms agreed upon.
The Supplier has the right to take appropriate steps proving goods were packed and shipped safely from manufacturing site / warehouse (e.g. images).

f) GG is not obligated to carry out further tests other than those described above, nor to inform the suppliers of any such additional tests.

11. Change Management

If any change to a product or process is considered by the supplier, a Supplier Change Request form must be submitted to GG for authorization in advance.

a) Forms must be submitted for changes in existing production parts, changes in manufacturing location (additions, closures, changes in ownership, etc.), changes in manufacturing equipment/process, changes in part design intent, changes in material or any other change affecting fit, form or function.

b) GG (Supplier Quality Assurance in relevant GG plants) needs to be notified for approval min. 4 months ahead of the intended implementation. Suppliers are only authorized to make the requested changes after GG has given the appropriate approvals and must fully comply with the approval requirements prior to implementation and shipment.

Suppliers can obtain a template of the form and learn more about the process through GG Supplier Portal https://www.gg-group.com/en/service/

12. Supplier Self disclosure

In the case the supplier identified that suspect material had been shipped to GG, he has to inform the GG contact persons (Supplier Quality Assurance in relevant GG plants) immediately.
In order to ensure all needed information is available, please fill in the standardized form, which can be obtained through GG Supplier Portal https://www.gg-group.com/en/service/
Due to the fact the supplier is informing GG proactively; the claim is recorded in GG´s system as usual, but has no negative impact on the supplier evaluation.

13. Traceability

a) The Supplier has to maintain evaluable quality records which can be clearly assigned to a particular product, the production location, and the production date. Quality records must be stored or archived securely and be retrievable at any time. The Supplier must submit these records or copies thereof within 24 hours / one working day if required.

b) The Supplier is obligated to be capable of tracing all of the products it has supplied considering a risk analysis. If any deviation is discovered, it must be possible to isolate the affected parts/products/product batches (e.g. via ERP system).

c) The traceability must be warranted in compliance with the requirements of ISO 9001, and the documentation of the proof of due diligence must be stored for at least 15 years after delivery.

The following documents are mandatory as proof:

- Development and design documents (in case of design responsibility of Supplier).
- Acceptance documents (e.g. initial sample inspection report), initial samples.
- Process capability certificates and test results, reliability tests.
- Series production material flow, control plans.
- Approval documents and material test certificates.
- Product batches/orders and delivery receipts.

14. Requalification

The Supplier must ensure requalification in the sense of the IATF 16949. Unless otherwise agreed, products delivered to GG must be requalified annually in the scope of the initial sampling under consideration of the customer requirements to be applied to material and function; the development of representative product groups is permissible here. The supplier has to send the documentation to GG proactively if not agreed otherwise.

In addition, any other requirements made by the customer (CSR) under this point are to be taken into account.

15. Supplier assessment

Suppliers will be assessed by GG using a defined procedure. The results will reflect the satisfaction with the performance during a set period. All suppliers assessed by GG will be informed about the results in writing. If necessary, the Supplier must define improvement measures and inform GG of these in the form of an official policy report, through the email address supplier.evaluation@gg-group.com

Supplier assessment forms the basis for supplier selection.

16. Complaints management and replacement deliveries

a) Should problems occur on GG's side, which can be traced back to defective material from suppliers, a statement of defects must be documented and forwarded to the suppliers. In the course of processing complaints, GG will record additional efforts for justified complaints, these are based on the complexity of the issue. According to our experience, at least 2 hours are to be expected and depend on the respective cost rate of the complaining production plant. All costs and expenditure arising as part of the complaint will be systematically recorded and, following consultation with the Supplier, transparently demonstrated and also charged. Should the charge not be paid by the payment deadline agreed upon in the frame delivery agreement, GG reserves the right to deduct the sum charged from the next invoice.

b) The Supplier must introduce measures for prompt cause analysis and the immediate correction of the problem. The Supplier is responsible for containment of all affected parts in circulation. Within 24 hours / one working day the Supplier must take immediate measures such as the identification and isolation of the affected batches, replacement deliveries, and immediate improvements. Should this not be possible, special measures must be defined in collaboration with GG in order to protect current production. If a new production lot has to be run in order to replace NOK or suspect parts, the Supplier is requested do everything possible to reduce the standard production lead-time to avoid critical situations (e.g. line stops) at GG.

Should the Supplier not provide any immediate measures within the given *or otherwise agreed* period, GG will find itself forced to take the first steps itself (e.g. quality gate). Unless the Supplier has commissioned a partner approved by GG to carry out the sorting, the commissioning will be carried out by GG directly after approval by the Supplier. The cost rates agreed by GG shall apply as well as any additional expenditure (storage, stock movement, staff coordination, etc.).

The following deadlines are set out by GG as standard for 8D reports:

- 3D report: within 24 hours / one working day
- 5D report: within 10 working days if not agreed otherwise
- 8D report: within one month if not agreed otherwise

Should the Supplier be unable to *reply within the above mentioned periods due to e.g. the time for samples receipt and laboratory analysis, GG has to be proactively informed about this delay in order to align the deadline*.

c) The activities agreed upon as part of this process must be documented by the Supplier, effective corrective measures must be implemented, and a policy statement in the form of an 8D report must be sent to GG within 10 working days (5D).

d) The 8D report must contain a clear description of the root cause (both for the occurrence and non- detection) and the corrective measures implemented and/or planned. GG expects its Supplier to provide a range of suitable problem solutions. For repeated failures the Ishikawa and 5WHY methods must be implemented.

In the sense of continuous improvement and the zero failure principle, the cause of the failure must be resolved with sustainable and long-lasting measures (Poka-Yoke, technical solutions). The simple solution of the problem via training is not satisfying.

Content of the 8D report:

- Identification and implementation of immediate measures (e.g. sorting of all suspect material)
- Identification of the causes through the application of quality methods (e.g. Ishikawa, 5WHY)
- Identification and implementation of sustainable long-term measures (e.g. poka-yoke)
- Effectiveness test of all measures
- Revision and/or updating of relevant documents (product control plan, work instructions, FMEA, etc.)
- The testing of the possibility of failure in comparable products and processes and, if necessary, the implementation of measures

e) Should the complaint relate to a customer complaint, a risk analysis (e.g. regarding ppm to be expected) must be included in the 8D report.

f) In the case of a field-related claim (malfunction of the product in the field), the Supplier must determine and implement a warranty management process if the defect is clearly traceable to the Supplier. This process must include a method for the analysis of defective parts, including a NTF process (No Trouble Found). Wherever a concrete process is specified by a customer requirement, this must be implemented. More detailed information on the implementation can also be taken from the VDA "Analysis of Defective Parts in the Field".

g) As the result of mutual cooperation between GG and the Supplier it will be decided if the claimed material can be used, must be reworked, sent back to the Supplier, or scrapped.

h) Should critical deviations from the specification or from the agreed services arise, the escalation levels described in the chapter on supplier development are to be used until an acceptable quality level is reached.

i) *As even obvious defects may only discovered in our production chain possibly weeks after delivery, GG reserves the right to complain these parts even after expiry of the legal obligation to report defects.*

j) Supplier complaints are part of the Supplier assessment. If, during processing, it is determined that the notice of a complaint was not justified, the notice will not be included in the assessment.

k) *Both parties commit to assume adequate insurance coverage for risks out of product liability as well as recall liability and to maintain such insurance during the entire term of this agreement. The scope of the insurance coverage must be adequate with respect to possible risks that arise out of the use of the products.*

17. Supplier development

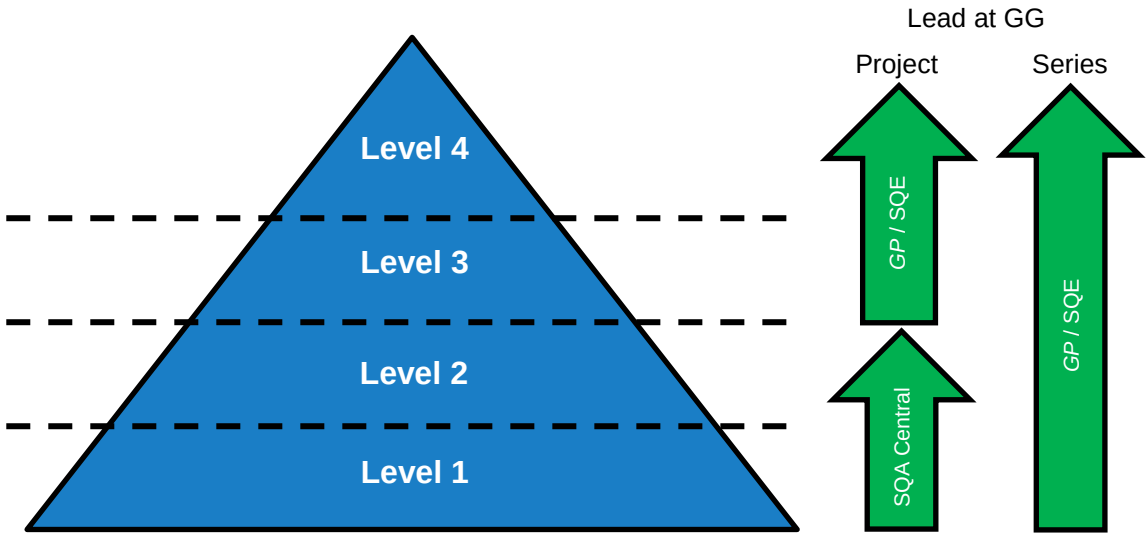
The base for good cooperation between the Supplier and GG is established by the satisfactory fulfillment of our requirements. In this regard, the Supplier's performance is regularly monitored by GG in the form of key performance indicators (KPIs).

Supplier development on the part of GG extends across the entire product life cycle (sourcing, development, series, and spare parts production).

Should gross deviations be discovered during monitoring or problems arise based on a specific situation (capacity, quality issue, missed deadlines, etc.), GG reserves the right to pursue the GG escalation process.

GG escalation model:

The GG escalation model is divided into 4 escalation levels, which are described as follows:



Unless otherwise agreed during the escalation discussions, the following measures and reaction times apply:

Escalation level	Typ (Project, Series)	Reason	Measures	Responsible party	Reaction time
LEVEL 1	SERIES	- Repeated or continuous quality issues	Extension of the measures to further components	Supplier	24 hours
	SERIES	- Serious quality issues (e.g. production stoppage on the part of GG due to quality issues)	Increased test level as part of the GG receipt of goods	GG plant SQA	24 hours
	SERIES		Information to and, if necessary, involvement of *GP* /SQE	GG plant SQA	24 hours
	SERIES		Visit to the Supplier	GG plant SQA	1 calendar week
	PROJECT	- *Project delay*	*Regular Telefon Conferences / WebEx Meetings for Project Monitoring*	*SQA Central*	*48 hours*
	PROJECT	- *Lack of communication*	*Regular Telefon Conferences / WebEx Meetings*	*SQA Central*	*48 hours*
	PROJECT	- *Milestone oT (off Tool) not met*	*Monitoring on site* *Firewall at supplier at the supplier's expense*	*SQA Central*	*24 hours*
	SERIES / PROJECT	- *Violation of the QAA*	*Clarification of the facts, involvement of GP/ SQE*	*SQA Central*	*48 hours*
LEVEL 2	SERIES / PROJECT	- Escalation Level 1 unsuccessful	Letter to the management and/or the Supplier's highest-ranking directors Information to the GG management	*GG GP/ SQE*	24 hours

	SERIES		Q discussion within GG The Supplier's management provides a program to resolve the failings	Supplier	3 working days
	SERIES	- Quality issue for the end-customer (caused by suppliers)	Agreement to have an additional 100% check carried out at the Supplier's premises by a service provider accepted by GG.	Supplier	24 hours
	SERIES		Visit to the Supplier for a process and error analysis and measures check, as well as product/process revision	GG *GP* / SQE or Resident Engineer	1 calendar week
	PROJECT	- *Ongoing problems with a significant influence (deadline, costs, quality) and thus on the ability to deliver*	*Permanent on-site support from GG SQA or a resident engineer agreed by both sides at the expense of the supplier*	*GG SQA or Resident Engineer*	*48 hours*
	PROJECT	- *Parts do not meet the specification and cannot be installed, the GG customer must be informed*	*Monitoring on site* *Firewall at supplier at the supplier's expense*	*SQA Central*	*24 hours*
	PROJECT	- *Milestone oToP (off Tool off Process) is not met*	*Monitoring on site* *Firewall at supplier at the supplier's expense*	*SQA Central*	*24 hours*
LEVEL 3	SERIES / PROJECT	- Escalation Level 2 unsuccessful	Information to the affected GG customers	GG *GP* / SQE	2 calendar weeks
	SERIES / PROJECT	- *Infringement of the GG QAA with severe effects on costs, quality or schedule*	*No consideration for new businesses (NBH)*	*GG PU / SQE*	*48 hours*

	SERIES	- Supplier receives a repeated "C" assessment	If necessary: change of the strategic supplier classification for production material and escalation to the GG Group Directors	GG *GP* / SQE	To be defined
	SERIES / PROJECT	- Critical quality issues (e.g. warranty claims, production stoppage on the part of the end customer due to the quality issues, security-related deviations)	Executive management meeting between: - GG Purchasing Management - GG Q Department-Destination Plant and Headquarters - Supplier Management	GG *GP* / SQE Supplier	48 hours
	SERIES / PROJECT		Development of an alternative supplier	GG *GP* / SQE	To be defined
LEVEL 4	SERIES / PROJECT	- Escalation Level 3 unsuccessful	Targeted reduction	GG *GP* / SQE	To be defined
	SERIES / PROJECT		Withdrawal of the Supplier contract	GG *GP* / SQE	To be defined
	SERIES / PROJECT		If necessary, introduction of a de-certification process with the Supplier's certification body	GG *GP* / SQE	To be defined

All of the expenditure that arises as part of the escalation (employee hours, travel costs, machine downtime, etc.) will be regularly and transparently outlined to the Supplier. The Supplier can gain information from GG about the current status of the costs monthly. GG always strives to provide cost transparency and is most interested in keeping costs low in the economic interest of both parties, as appropriate for the situation. All costs to be charged have to be agreed upon with the Supplier.

18. Final provisions

a) Standards referred to in this agreement are to be applied and fulfilled as indicated.

b) Any changes or extensions made to this agreement must be listed in writing under ANNEX 1 – "Changes and extensions" and confirmed by both parties.

c) The QAA and all annexes shall be deemed valid as soon as both parties have signed them and shall remain valid for the entire duration of the business relationship.

d) Every signatory *(or his legal successor)* has the right to terminate the agreement with a transfer period of 6 months from the end of the month. The agreement can only be dissolved via registered letter with proof of delivery.

e) The dissolution of the QAA shall have no direct effects on other existing contracts between GG and the Supplier.

f) For supplier agreements concluded following the signing of this QAA the provisions listed in the QAA shall apply, even after the expiry of this QAA's validity, and until the supplier agreement in question also expires.

g) In the case of contradictions between this agreement and any existing framework supplier agreement, the provisions of the framework supplier contract shall continue to apply unless otherwise agreed.

h) This Agreement shall be subject to the laws of Austria, however, excluding the international conflict of law rules. The Parties agree that application of the UN Convention on Contracts for the International Sale of Goods (UNCITRAL) shall be excluded.

i) Any disputes arising out of or in connection with this agreement shall be settled through negotiations, mediation and/or arbitration in first stance. If no applicable solution is agreed upon, the dispute shall be exclusively settled by the court of Vienna, Inner District, which has subject-matter jurisdiction.

j) Severability clause: Should a provision of this QAA be or become unfeasible, the effectiveness of the remaining provisions shall not be affected. In the case of an ineffective provision the parties are obligated to agree on an effective replacement regulation that comes as near as possible to the economic purpose of the ineffective provision.

19. Approval and implementation

Vienna,

_____	_____
Gebauer & Griller Kabelwerke Gesellschaft m.b.H.	**Supplier**