

## **Quality Assurance Agreement with Suppliers**

### **Part II Specific Agreement Metal**

Between

[Company, Address]

(Supplier)

and

**KSM Castings Group GmbH**  
Cheruskerring 38  
31137 Hildesheim

**KSM Castings CZ s.r.o.**  
Oldřichovská 726  
46334 Hrádek nad Nisou

(KSM)

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	<b>Name</b>	<b>Date</b>
<b>Drawn up:</b>	Pawenski Christian	21.04.2022
<b>Approved:</b>	DiPaolo Sandro	03.05.2022

## **Contents**

1. Scope of application	3
2. Quality Management System of the Supplier	3
3. Documentation and information obligations of the Supplier	3
4. Product quality requirements	3
5. Series production and delivery release	3
6. Incoming goods inspections by KSM	4
7. Designation, identification and traceability	4
8. Problem resolution process at the Supplier	4
9. Emergency backup plan	4

## **1. Scope of application**

This Agreement serves as a product-specific complement to the stipulations and provisions described in Part I of the QAA (Quality Assurance Agreement). It is to be applied to the Metal and Master Alloys group of goods.

## **2. Quality Management System of the Supplier**

(1) The Supplier is to maintain a Quality Management System (QMS) that fulfills at least the requirements of ISO 9001. The Supplier is to provide the corresponding proof through a certification procedure with an accredited certification company according to ISO 9001 and by presenting the certificate.

(2) The Supplier undertakes to operate his production facilities in a resource-conserving manner. He is to maintain a system for environmental management that is demonstrably orientated around the ISO 14001 norm and the EMAS standard. The valid legal stipulations relating to material restrictions in products according to the Directive 2000/53/EG on end-of-life vehicles (material bans pursuant to the so-called "End-of-Life Vehicles Directive") are to be observed.

## **3. Documentation and information obligations of the Supplier**

(1) The Supplier is to prove his observance of the specifications by forwarding the Test Certificate 3.1 according to DIN EN 10204 for every delivery.

(2) The Supplier is to inform KSM before the introduction of significant changes in his production process and before accepting deliveries from other production locations.

(3) The Supplier is to inform KSM before any supply of deliveries if the goods have been assessed as borderline as regards individual material components within the scope of his internal inspections.

(4) The Supplier is to inform KSM if any changes occur as regards his certification status (e.g. any suspension or loss of certification).

(5) The following changes do not entail any obligation to inform KSM:

- Changes in the raw material basis,
- Commissioning and deployment of new preliminary (upstream) suppliers for raw materials or scrap metals.

## **4. Product quality requirements**

KSM is to specify the products ordered through a delivery specification for the respective alloy. The delivery specification is to be made available to the Supplier in the respective valid version.

Additional customer specific requirement (as far instance BOSCH N 2580-1) will be submitted to the supplier in writing.

## **5. Series production and delivery release**

(1) The sampling approval and release process for new suppliers or new products is to take place only in Hildesheim. The process embraces the delivery of 3 sample deliveries that are to be carried out by the Supplier in line with the valid delivery specifications and have to be evaluated by KSM in its incoming goods inspection as in accordance with the specifications. The documentation of the approval process for metal is made by AIAG script on the Production Part Approval Process (PPAP) with submission level 4.

(2) KSM subjects these sample deliveries to an extended incoming goods inspection. Apart from the analytical examination of the material composition, this also includes the evaluation of the microstructure on the basis of metallographic cross-sections.

(3) It is only when the series release approval is granted by KSM that the Supplier is entitled to conduct deliveries to the locations of the KSM Castings Group. These must go beyond the aforementioned sample deliveries.

## **6. Incoming goods inspections by KSM**

(1) On the basis of the valid delivery specifications and the order, KSM is to immediately examine after deliveries have been received whether these deliveries match the requirements in terms of their identity, the ordered quantity and the specified material composition. In addition, the delivery will be inspected to ascertain any externally visible transport damage or defects.

(2) Defects and deficiencies identified during the incoming inspection are recorded and communicated to the Supplier along with a written test report.

## **7. Designation, identification and traceability**

The Supplier is to label his delivered products according to the valid delivery specifications.

## **8. Problem resolution process at the Supplier**

(1) Insofar as claims about defects are made by KSM, the Supplier is to initiate the appropriate immediate measures without delay and at his own cost in order to limit the damage as far as possible. The 8D Process is to be initiated immediately after the complaint has been received. The Supplier is to implement suitable methods to solve the problem that are capable of reliably preventing a repetition of the defect.

(2) The Supplier is to document the progress of his problem-solving process in an 8D report. An initial intermediate report (Points 1 – 3 worked through) is to be communicated to KSM within 24 hours. The 8D Process is to be concluded at the Supplier after a maximum of 10 working days. The final report is to be sent to KSM without solicitation on the part of KSM.

## **9. Emergency backup plan**

The Supplier is to maintain an emergency plan that is appropriate to maintain his delivery capability to KSM even in the event of unforeseen circumstances. This emergency plan is to be presented to KSM on request.

## **Signatures**

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Place, date

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Place, date

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**KSM Castings Group GmbH**  
Corporate Procurement  
Name, first name

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Supplier  
[Position]  
Name, first name