Quality Assurance Agreement

Between Surventis Surface Treatment GmbH
Trakehner Str. 3
60487 Frankfurt am Main

hereinafter referred to as „SURVENTIS“

and _____
_____
_____

hereinafter referred to as „SUPPLIER“

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SURVENTIS

Table of content

SURVENTIS

1 Preliminary remarks and scope of application

As a company specialized in the development, production and sale of products for chemical surface treatment and products for the aviation, automotive and general industries, Surventis Surface Treatment GmbH (hereinafter referred to as "SURVENTIS") strives for the highest quality and customer satisfaction in all areas of cooperation. The competitiveness of SURVENTIS is decisively determined by the quality of its products. The reliability and flawless condition of the purchased raw materials / products and services have a significant influence on the quality of the products manufactured by SURVENTIS.

This QAA applies to all procurement processes between SURVENTIS and its suppliers of raw materials / products (contract products) and its other contractors (suppliers of contract products and other contractors hereinafter collectively referred to as "SUPPLIER"). It regulates the quality requirements for all contractual products or services that are delivered or provided by SUPPLIER to SURVENTIS.

In addition to the General Terms and Conditions of Purchase of SURVENTIS and its affiliated companies based in Germany
(at https://www.surventiscoatings.com/conditions-purchase),
the SUPPLIER recognizes the provisions of this QAA as binding upon acceptance of the order from SURVENTIS, but at the latest upon provision of the service owed. The regulations of this QAA are part of the contracts for deliveries and services between SUPPLIER and SURVENTIS. SUPPLIER undertakes to comply with the provisions of this QAA (see also applicable documents in accordance with chapter 8).

2 Goal

The purpose of this QAA is to establish clear and transparent rules to ensure that high quality products can be manufactured and supplied by SURVENTIS.
This QAA is intended to ensure that SURVENTIS and SUPPLIER have a common understanding of the requirements necessary to avoid defects and to achieve the common goal of zero defects.
If individual provisions of this QAA are unclear to the SUPPLIER or are considered impracticable, the SUPPLIER undertakes to inform SURVENTIS of this in writing without delay, but in any case, before the service owed is rendered. Misunderstandings, ambiguities and possibly resulting unnecessary costs and delays should be avoided.

3 General quality requirements for the SUPPLIER

3.1 Certification

SUPPLIER confirms by submitting the corresponding certificate that it is certified according to ISO 9001 and undertakes to maintain this certification for the duration of the business relationship with SURVENTIS. The qualification of SUPPLIER according to ISO 9001 represents the minimum requirement for SUPPLIER for SURVENTIS. SUPPLIER also undertakes, at SURVENTIS's request, to develop towards the IATF 16949 or EN 9100 management systems with the aim of obtaining a corresponding certification and to maintain this then for the duration of the business relationship with SURVENTIS.
All changes to the certification status (as well as special status notifications in accordance with IATF 16949) must be communicated to SURVENTIS immediately and without request. The points regulated in this QAA do not represent a restriction of the individual management systems.

3.2 QM-System, Further development / continuous improvement

SURVENTIS implements the management systems ISO 9001, IATF 16949 or EN 9100, as amended, which are recognized in the industry, to achieve and continuously improve the high quality standards. SURVENTIS also expects appropriate quality standards from its SUPPLIERS. Therefore, SURVENTIS also expects SUPPLIERS to:
(a) a fundamental commitment to unconditional fulfilment of customer expectations and
(b) the consistent pursuit of a zero-defect strategy and,
(c) error-free delivery quality (also using CORE tools) and
(d) the creation and updating of a matrix for the implementation of the requirements in the QM system.
SUPPLIER verifies the adequacy of its quality, environmental, health and safety systems by defining and monitoring harmonized key performance indicators, which are aimed at the early recognition of its own performance and the performance to be provided to SURVENTIS.
In connection with orders placed by SURVENTIS for contract products, SURVENTIS also expects key figures for on-time delivery, special freight costs and complaints. SUPPLIER agrees to discuss and evaluate the status of the key figures in regular review meetings at the request of SURVENTIS.

3.3 Sub-Supplier-Management

SUPPLIER commits himself to pass on SURVENTIS's quality requirements from this QAA in full to sub-suppliers. These must also be checked by the SUPPLIER in audits at the sub-supplier for introduction and effectiveness. To this end, the SUPPLIER ensures that VDA 6.3 process audits are carried out regularly by certified auditors.

3.3.1 Sustainability in the supply chain

Together with its SUPPLIERS, SURVENTIS aims to improve sustainability in the supply chain and minimize risks. A global "Code of Conduct for Suppliers" applies to SUPPLIERS, which includes compliance with environmental, social and corporate governance standards (available at https://www.surventiscoatings.com/supplier-code-conduct).
In particular, the Code of Conduct regulates compliance with human rights, the exclusion of child and forced labor, the guarantee of labor and social standards, anti-discrimination and anti-corruption requirements and environmental protection (see also applicable documents in accordance with chapter 8).

3.4 Defining the cooperation

3.4.1 Communication channel, contact person and availability

SUPPLIER commits himself to maintain a system in which SURVENTIS can contact SUPPLIER 24/7 by digital means. SUPPLIER undertakes to respond to SURVENTIS's request in writing or text form within 48 hours of contact being established (receipt by SUPPLIER). The supplier's response must include at least (1) a confirmation of receipt and (2) a substantive statement on the specific request and (3) a proposal for short-term processing / solution of the specific request and (4) the name of the responsible contact person and their contact details.
SUPPLIER shall inform SURVENTIS in writing of specific contact persons and their representatives as well as their personal contact details for general order processing and for clarification in the event of complaints at the latest upon conclusion of the contract.
The named contact persons and their representatives must have the necessary authorization and language skills for the business relationship. SURVENTIS must be notified in writing of any changes to the contact persons and / or their representatives within 5 working days.

3.4.2 Order

SURVENTIS's orders generally include, among other things, information on (1) the contractual product / service ordered, (2) the quantity ordered, (3) the agreed specification and (4) the delivery date. SUPPLIER is obliged to immediately check the information provided in connection with the order for correctness, completeness and feasibility. SUPPLIER shall confirm the order immediately in writing or in text form or inform SURVENTIS immediately in writing or in text form in the event of any discrepancies.
By confirming the order placed by SURVENTIS, SUPPLIER confirms, in addition to compliance with the provisions of this QAA, that a written delivery capability analysis has been carried out and can submit this to SURVENTIS on request. In the case of ordering contractual products, the delivery capability analysis is used to prove that these can be manufactured in accordance with the specification under production conditions. Furthermore, a statement is made as to whether the capacity of the SUPPLIER allows the delivery of the planned quantities or the ordered service on the specified delivery date.

3.4.3 No incoming goods inspection

SUPPLIER and SURVENTIS agree that an incoming goods inspection of the delivered contractual products does not take place at SURVENTIS. SUPPLIER agrees that it waives its rights in accordance with § 377 HGB (German Commercial Code). Furthermore, SUPPLIER agrees that the outgoing inspection to be carried out by it serves the same purpose as the incoming inspection actually required of the buyer in accordance with § 377 HGB.

3.4.4 Employee training

SUPPLIER shall ensure that its employees are appropriately qualified to perform their respective tasks and maintain or further develop their knowledge and expertise by providing sufficient training and further education measures.
In particular, the employees are to be trained separately regarding the respective manufacturing process of the contractual product manufactured for SURVENTIS (with the aim of faultless product quality). This also applies to any personnel employed on a temporary basis. The training takes place on the basis of a further training program that also includes management.

3.5 Access to the supplier

SUPPLIER will enable SURVENTIS, upon request, to convince itself of the implementation of the quality assurance / quality management measures described in this QAA, at SURVENTIS's discretion, by means of an audit or by inspecting the latest internal audit reports. For this purpose, SUPPLIER shall grant SURVENTIS and persons authorized by SURVENTIS, customers of SURVENTIS or authorities' access to its operating sites to a reasonable extent and after prior agreement of an appointment and shall provide a technically qualified employee for support during such an audit, who will allow inspection of relevant documents. SUPPLIER also undertakes to oblige its subcontractors to the previously mentioned access rights.

4 Special requirements for the SUPPLIER

4.1 Risk Management

SUPPLIER undertakes to maintain a system for managing product risks (in particular product development, production) and risks to the continuation of its business (in particular subcontractor management, inventory, capacity and backorder management, emergency management for force majeure, machine and employee failure and cyber security through proof of a system aligned or certified according to ISO 27001) by continuously identifying, evaluating and reducing them as far as possible. The system, which should be mapped in the

form of an FMEA (Failure Mode and Effects Analysis), must also consider and manage identified risks from complaints, as well as special or critical features that result from risks to safety, approval or function or that are specified by SURVENTIS.

4.2 Complaints processing

In the event of a complaint, the SUPPLIER shall immediately analyze the cause and initiate and review appropriate remedial measures.

4.2.1 Processing according to 8D

If the SUPPLIER detects an increase in deviations of the actual quality from the target quality of the contractual products internally or via notifications from SURVENTIS (e. g. quality drops or delivery errors or delays), the SUPPLIER shall carry out a root cause analysis using 5Why or Ishikawa and inform SURVENTIS immediately in writing of the planned remedial measures derived from this. In the event of defective deliveries, SUPPLIER must immediately take measures to limit the damage and to permanently remedy the defects.
The 8D method is to be used for informing SURVENTIS. An 8D report must be submitted at the request of SURVENTIS.

4.2.2 Traceability

SUPPLIER guarantees that, through the labelling and continuous traceability of the contractual products, it is possible to determine immediately which other contractual products could be affected if a defect occurs in contractual products. SUPPLIER shall inform SURVENTIS about its labelling system or other measures in such a way that SURVENTIS can make its own determinations.

4.2.3 Processing times for complaints

The following processing deadlines apply to complaints about faulty deliveries: Feedback to SURVENTIS on receipt, recording and initial assessment of the complaint within 48 hours in accordance with 3.4.1. Implementation of the immediate or corrective action within 48 hours. Root cause analysis within 5 working days after confirmation of receipt of the complaint. The deadlines for the remedial action, the closure and the sending of the 8D report are agreed with SURVENTIS. Before the next delivery, the complaint processing must be demonstrably fully implemented and effective.

4.3 Documents and records

SUPPLIER shall manage the records and documents specified in this QAA, in particular measured values, test results and manufacturing processes, as documented information.

4.3.1 Retention period

SUPPLIER shall keep records and documents clearly organized and for a period of 30 years, beginning with the manufacture of the respective contractual product.
This applies in particular (not exhaustively) to the following documents and records:
- Measured values
- test results
- manufacturing process

SUPPLIER shall allow SURVENTIS to inspect and hand over copies where necessary.

4.4 Exemption and insurance

SUPPLIER guarantees that it will comply with all applicable laws and regulations in the manufacture of contractual products or in the provision of services (in particular with regard to

occupational health and safety and machine safety, chemicals and hazardous substances legislation and environmental protection). All parts and materials used for the manufacture and delivery of contractual products fulfil the legal regulations applicable in the respective country of manufacture.
SUPPLIER recognizes that violations of applicable laws and regulations lead to a defect in the contractual products delivered or the service rendered. SUPPLIER shall indemnify SURVENTIS upon first request against all claims, expenses, costs and damages caused directly or indirectly by or in connection with such a violation by SUPPLIER.
SUPPLIER warrants that
(a) it is insured to the extent customary in the industry (in particular, it has comprehensive liability insurance and recall cost insurance)
(b) the respective insurance cover corresponds to the standard customary in the industry,
(c) it is insured by well-known, large insurance companies and
(d) it can provide appropriate proof of the required cover at all times (e. g. via a comprehensive insurance certificate).
SUPPLIER undertakes to maintain the insurance for the duration of the business relationship with SURVENTIS.
The SUPPLIER's liability is not limited by such insurance.

5 Supplier Management

5.1 Supplier selection and classification

The initial commissioning of SUPPLIER only takes place if SUPPLIER has previously been categorized internally as an "approved supplier". For this, the SUPPLIER requires certification in accordance with DIN EN ISO 9001 and a low-risk classification in accordance with the (internal) assessment criteria defined by SURVENTIS.

5.2 Supplier evaluation and feedback

During the ongoing business relationship, a supplier evaluation (A-D supplier) is carried out by awarding points for the internally defined evaluation criteria and supplier performance. The evaluation is continuously monitored by SURVENTIS, and this is reflected back to the SUPPLIER together with the classification at least once a year.
In the event of any deviation from the performance owed, the SUPPLIER automatically receives a corresponding notification depending on the degree of severity. This can be a note, a notice of defects or a complaint. In addition to the obligation to process complaints in accordance with 3.2, the following obligations are derived from the supplier evaluation and categorization:

Points and measures:
A-supplier rating: 100 - 90 points: very good
Classification "approved supplier"
Obligation for SUPPLIER: None

B-supplier rating: 89 - 75 points: good
Classification "approved supplier"
Obligation for SUPPLIER: Internal measures for continuous improvement

Rating C supplier: 74 - 50 points: satisfactory
Classification "conditionally approved supplier"
Obligation for SUPPLIER: SUPPLIER agrees improvement measures with SURVENTIS in writing, processes these in consultation with SURVENTIS within the agreed deadlines and demonstrates their effectiveness using suitable methods.

Rating D-Supplier: 49 - 0 points: inadequate
Classification: "blocked supplier"
Obligation for SUPPLIER: SUPPLIER agrees corrective actions with SURVENTIS in writing and processes these in consultation with SURVENTIS within the agreed deadlines and demonstrates their effectiveness using suitable methods.

5.3 Escalation steps

Due to poor supplier performance and corresponding evaluation by SURVENTIS, SUPPLIER may lose the classification "approved or conditionally approved supplier" and receive the classification "blocked supplier".
The classification "blocked supplier" can also be made immediately regardless of the evaluation of the supplier performance in the following cases:
(1) if the SUPPLIER's certification is invalid for more than 3 months; or
(2) if the SUPPLIER shows a lack of willingness to co-operate in the processing of corrective or improvement measures; or
(3) if the effectiveness of the measures cannot be proven.

5.4 Obligation to take measures for the cancellation of blocking

If SUPPLIER receives the status of "blocked supplier", it is obliged to implement measures to ensure that SUPPLIER at least achieves the status of "conditionally approved supplier" again within 3 months.
SURVENTIS carries out regular performance and risk assessments as well as effectiveness checks of the SUPPLIER's measures. The effectiveness of the measures implemented can be verified by means of an on-site audit. The frequency of supplier audits depends on the delivery performance. If required, SUPPLIER undertakes to participate in quality improvement programs together with the specialist departments of SURVENTIS.

6 Special requirements for the contractual product respectively the service owed

The contractual product or the service owed must fulfil the requirements of the agreed specification (usually in accordance with the contract / order text). The contractual product must also fully comply with the other technical documents and the agreed function. In the case of the delivery of chemicals, fulfilment of the specification must be confirmed by a certificate of analysis in the form required by SURVENTIS. The certificate must be sent to the following SURVENTIS e-mail address before delivery: COA-DLP2@basf.com.

6.1 Product development and control

SUPPLIER must ensure that its means of production are in a condition that enables the manufacture of contractual products in accordance with specifications and on schedule. In addition to maintenance planning, preventive and predictive aspects must also be included in the planning.
SUPPLIER maintains a system for the correct identification of its raw materials and products throughout the entire process, as well as for their storage (FIFO principle), packaging and dispatch. The system ensures that mix-ups or counterfeit or inferior material are recognized and that damage or impairment is prevented in order to avoid further use. SUPPLIER must

prepare and maintain Production Control Documents (PCD) or Production Control Plans (PLP) at the request of SURVENTIS to define the process.

6.1.1 Requalification test

All contractual products delivered by SUPPLIER to SURVENTIS must be regularly requalified in accordance with the test parameters of the initial sampling scope. A 100 % inspection of the contractual products with the test scope of the initial sample inspection can be regarded as permanent requalification. If important tests of individual parameters for the effectiveness of the contract product have been carried out during development, which are not included in the scope of the initial sampling test, these must be carried out regularly as requalification in addition to the 100 % test. The results must be made available to SURVENTIS on request.

6.2 Measuring and testing equipment

SUPPLIER is responsible for the use of suitable measuring and test equipment. All measuring and test equipment must be approved by a test equipment monitoring system; the capability of test equipment must be verified by means of a measurement system analysis. Test equipment monitoring and its organizational control must always be carried out using a suitable system. SUPPLIER must also plan the procurement of new or modified measuring devices and equipment in such a way that timely delivery to SURVENTIS of contractual products that fulfil the agreed specification is guaranteed.

6.3 Initial sample release / production release

The ordering of samples is initiated by SURVENTIS Purchasing and the SUPPLIER must send the documents required by SURVENTIS prior to sampling. These include at least specification and certificate of analysis, IMDS registration number from the IMDS database (International Material Data System), technical data sheet (DE/EN), safety data sheet according to 91/155 EEC not older than two years, Global Supplier Questionnaire (GSQ) of SURVENTIS, Packaging Info sheet, ISO 9001 certificate. If requested by SURVENTIS, further documents must be available at the SUPPLIER in accordance with an agreed Bulk Material Checklist (BMCL).
SUPPLIER must only send samples of the contractual products to SURVENTIS that were manufactured under production conditions and correspond to the agreed specification. The samples are only released after successful testing. Confirmation of approval is given in writing by SURVENTIS Purchasing.

6.4 Special release

If the specified values of the contractual products are not complied with, SUPPLIER shall notify SURVENTIS in advance in writing regarding the non-conformity and obtain approval. The dispatch of non-conforming product is only possible after written special release by SURVENTIS.

6.5 Packaging

SUPPLIER must ensure consistent product quality by selecting the packaging. Information on the production date, shelf life and storage conditions must be provided on the delivered contractual products or with the delivery documents. Packaging must be clean and undamaged. The packaging must be silicone-free.

6.6 Duty to provide information prior to changes to the contractual product / service owed

In order to ensure consistent quality, a renewed initial sample inspection or assessment and written approval by SURVENTIS is required for intended changes to the contractual product or the service owed.
SUPPLIER shall inform SURVENTIS immediately so that SURVENTIS can check in good time as part of the product approval procedure whether the change intended by SUPPLIER has a detrimental effect on the quality of the SURVENTIS products and whether the approval for the change can be granted or not. The process-related data and facts must be disclosed accordingly.
In the following cases caused by the SUPPLIER, a new sampling must be carried out:
a. Intended change to the specification of the contractual product
b. Intended changes to material / ingredient / source of supply / packaging
c. Intended changes to the product manufacturing process
d. Intended use of new subcontractors / subcontractors
e. Intended relocation of production sites
f. After delivery stop due to massive quality problems
g. Intended change to procedures or facilities for testing the contractual products
In the case of the aforementioned changes that require renewed sampling and testing analogous to an initial sample inspection by SURVENTIS, SUPPLIER must subsequently obtain written approval of the changed quality of the contractual product from SURVENTIS Purchasing.
In addition to the regulation on product approval, SUPPLIER must also inform SURVENTIS immediately about planned changes to its product portfolio or obsolescence.

7 Joint projects / innovations

If a patentable and / or protectable invention arises from the cooperation with SUPPLIER, SUPPLIER must inform SURVENTIS immediately in writing - in any case before any application is filed. SUPPLIER shall involve SURVENTIS in the patentable or protectable invention in accordance with any relevant agreements and regulations made between SURVENTIS and SUPPLIER (e. g. non-disclosure agreement / development agreement) or fulfil obligations to obtain SURVENTIS's consent to the use and registration of such inventions resulting from the aforementioned agreements and regulations. Where appropriate, SURVENTIS and SUPPLIER shall also conclude a co-operation agreement**.**

8 Applicable documents

General Terms and Conditions of Purchase of SURVENTIS
Supplier Code of Conduct / Code of Conduct for Suppliers
GSQ (Global Supplier Questionnaire)
Supplier-self Questionnaire
Packaging Info Sheet

9 Confidentiality

Any information, documents, etc. provided by SURVENTIS or by SURVENTIS customers in writing, verbally or in any other way (collectively "INFORMATION") must be treated confidentially by the SUPPLIER and used only for the purposes of this QAA. Disclosure of INFORMATION to third parties is not permitted without the prior written consent of SURVENTIS. Upon request by SURVENTIS, SUPPLIER shall return any INFORMATION received to SURVENTIS.
If necessary, SURVENTIS shall conclude a separate non-disclosure agreement with SUPPLIER.

10 Term and cancellation

This QAA is valid for the entire duration of the business relationship between SUPPLIER and SURVENTIS, unless it is replaced by an updated version of this QAA.

11 Final provisions

Any disputes arising from or in connection with this QAA should be resolved by mutual agreement, if possible. If such a solution is not reached within a period of 3 months from the written notification by the SUPPLIER or SURVENTIS that a dispute exists, each party may take legal action. The place of jurisdiction is Frankfurt am Main.
For disputes arising from or in connection with this QAA, German law applies to the exclusion of international private law. The provisions of the CISG (United Nations Convention on Contracts for the International Sale of Goods) shall not apply.
If provisions of this QAA cannot be implemented, the SUPPLIER is obliged to inform SURVENTIS in writing of any desired changes and additions. Deviating regulations only apply if they have been accepted in writing by SURVENTIS. This also applies to the cancellation of this paragraph.
Should individual provisions of this QAA be or become ineffective, or should this QAA contain loopholes, this shall not affect the effectiveness of the remaining provisions of this QAA. In place of the invalid provision, the valid provision that comes closest to the economic and legal meaning and purpose of the invalid provision shall be deemed to have been agreed. In the event of loopholes, the provision that corresponds to what would have been regulated according to the economic and legal sense and purpose of these provisions if the matter had been considered from the outset shall be deemed to have been agreed.

_____	_____
Place/Date	Place/Date
_____	_____
SUPPLIER	SURVENTIS