



Quality Assurance Agreement (QAA) for the Licatec Group (as at: Dezember 2014)

1. Preamble

The present Quality Assurance Agreement (hereinafter referred to as the "QAA") is a living regulatory framework that is adapted to meet current requirements in order to ensure the quality of purchased products. By setting the aim of the zero-error principle in the supplier chain, interfaces, guidelines, resulting tasks and reflection of standards, laws and requirements of end customers can be defined in terms of responsibility.

It describes the minimum requirements for contractual partners' quality management systems, and governs their rights and obligations.

In order to meet specific requirements in terms of the specifications and quality of a product/service, case-specific changes or additions to the Licatec QAA may be agreed with the supplier. Long-term company success and sustainable customer orientation can only be achieved through effective cooperation and communication between Licatec and its suppliers.

2. Scope of Application

The QAA is legally binding for all suppliers that provide Licatec with purchased products.

3. Supplier's Quality Management System

The supplier undertakes to permanently use a quality management system based on DIN EN ISO 9001 in the applicable form, or a system that at least meets all of the requirements of the aforementioned standard. The supplier is bound to the zero-error target and shall therefore continually optimise his performance. Deviating aims shall be agreed in specifications (e.g. technical terms and conditions of delivery for purchasing (TTC), framework agreements, regulations in phase in management).

In the event of mergers, acquisitions, affiliations and similar measures that may have an impact on the structure of the company or its operations, the supplier shall verify the QM system and immediately inform Licatec of the state of affairs and of the result of the verification.

4. Quality Assurance Measures

In order to implement and comply with the agreed specifications, the supplier undertakes to set out available drawings, instructions on packaging, tagging and labelling and required quality checks in guideline documents, and to maintain evidence thereof using suitable documentation (e.g. test logs, test schedules). Unless 100% inspections are expressly prescribed, statistical methods for quality assurance should be applied. Reasonable and suitable random check schedules should be used throughout the production process. The supplier shall manufacture, package and monitor throughout the process all products to be supplied to Licatec in accordance with the underlying and provided documents, particularly drawings, technical specifications, the currently applicable standards and individual agreements. The supplier shall use means of testing that facilitate inspection of all quality characteristics that are agreed and that can be tested in view of the general state of the art. Based on DIN EN ISO 9001, the means of testing are subject to monitoring, and must therefore be checked at reasonable intervals.

If no specific characteristics for statistical process regulation and corresponding capacity limits for agreed specifications are issued by Licatec (e.g. in drawings, TTC), the supplier shall be responsible for defining and assessing specific product characteristics/process parameters.

Upon request, proof shall be provided of product quality; the required characteristics, proof and type of provision (e.g. enclosure of certificates/test certificates with each batch/delivery) shall be defined by Licatec in the TTC.

The supplier shall be solely responsible for appropriately archiving the relevant documents (production and quality records). The basic period for keeping documents is at least 5 years.

Upon request, Licatec shall be granted access to the relevant documents. Licatec reserves the right to verify the state of affairs regarding the aforementioned guidelines and procedures on site at the supplier's premises.

4.1 Changes to Technical Documentation, Guidelines and Drawings

Changes to technical documents (test instructions, specifications and their appendices) and guidelines shall be checked and altered by Licatec's modification service as required. Then these changes shall be distributed accordingly in the form of a statement of change and the current revision.

Changes shall essentially require consent from Licatec. The statement of change form shall also include proof of change. This statement, including proof, shall be sent to suppliers with a legally binding signature. Once integration of the change by the supplier is complete, this proof of change shall be sent back to Licatec, with a legally binding signature, for archiving. The change shall become valid immediately upon notification.

Drawings created by the supplier must first be presented to Licatec's technical department for checking and approval. Drawing changes shall essentially be managed by Licatec, and shall be passed on to the supplier accordingly in the form of a statement of change.

4.2 Development and Sampling

In the case of development tasks, the supplier shall be solely responsible for implementing proven methods, e.g. defined project management, corresponding milestones and appropriate monitoring mechanisms. The supplier shall inform Licatec of development progress made. Licatec reserves the right to also inspect developmental performance on site at the supplier's premises.

Before commencing serial delivery, an initial sample submission must be carried out based on the product and process specifications, taking the form of initial sample test reports sent to Licatec. Any alternative sampling processes or changes to the sampling procedure shall be reported by Licatec and agreed with the supplier.

Unless specifically defined by Licatec, the supplier shall be solely responsible for suggesting and presenting containers, packaging and corresponding labels for quality-compliant delivery, processing and traceability.

Serial delivery may only take place following written approval from Licatec.

The Licatec Group comprises:

Licatec GmbH - Licht- und Kabelführungssysteme | Alfred-Nobel-Straße 2-14 | 50226 Frechen | Germany
Licatec GmbH - Leuchtenbau und Kabelführungssysteme | Erzstraße 7 | 09618 Brand-Erbisdorf | Germany
Licatec Produktions GmbH | Erzstraße 7 | 09618 Brand-Erbisdorf | Germany
Licatec Profilextrusion GmbH | Am Sinnerhoop 44-46 | 58285 Gevelsberg | Germany



Furthermore, the supplier undertakes, within the scope of mandatory documentation, to regularly - generally annually - re-verify the products by carrying out a complete measurement of all required characteristics.

The result of the re-verification shall be provided along with the initial sample submission. Upon request, the supplier shall provide the test schedule documents on a case-by-case basis.

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5. Packaging and Traceability

The product and container labelling, including tags, shall be set out in specifications such as the technical terms and conditions of delivery. Changes to the agreed specifications planned by the supplier must be agreed with Licatec in good time (cf. Point 4.2).

The supplier shall be responsible for implementing suitable measures to ensure that if quality deviations occur in Licatec products the products, batches and production and delivery lots affected can be identified within 24 hours. The supplier shall use his identification system or other measures to inform Licatec, so that Licatec can make its own identifications.

If the supplier believes that additional data is required to trace potentially faulty production and delivery lots, he shall consult with Licatec.

6. Collaboration

The contractual partners have an open, partnership-based collaboration, particularly as regards active exchange of information. The supplier shall thus inform Licatec of all changes regarding products and processes, and give Licatec's representatives access to the relevant technical documents. Any type of change to products and manufacturing processes or locations that may affect the agreed specifications or product quality must be highlighted using new samples. In addition, access to the production facilities during normal business hours shall be provided, upon notification shortly before and in the presence of the management or the quality management representative. In the case of technical issues in the product, the supplier shall grant Licatec appropriate support in identifying the cause and solving the problem.

In the case of signs of documents provided by Licatec being incomplete or incorrect, the supplier shall be responsible for immediately informing Licatec and assisting in finding a solution.

7. Incoming Goods Inspection at Licatec

Responsibility for providing error-free deliveries or products lies with the supplier. This shall minimise goods acceptance effort for Licatec. Unless otherwise agreed, Licatec shall carry out incoming goods inspections solely for the purposes of checking for the correct goods and quantity, as well as obvious transport and packaging damage. Licatec shall not make any other inspections.

Should delivery performance, a quality issue or doubt about quality assurance measures on the part of the supplier incur increased effort in the incoming goods inspection or further processing by Licatec, the expenses for this may be billed to the supplier.

The results of the incoming goods inspection and delivery performance shall be integrated into Licatec's supplier evaluation.

8. Deviation of Licatec Products

If the supplier identifies quality deviations, or suspects that they may exist in products already delivered, he shall inform Licatec immediately and agree further action with Licatec. Delivery of products that do not meet Licatec's guidelines or specifications shall require express written consent from Licatec's management.

If Licatec submits a complaint about delivered goods, the supplier undertakes to immediately remedy the quality deviation or replace the goods at his own cost. Licatec shall levy a flat-rate fee of € 25 per case for complaints handling. Licatec shall receive an initial written interim notification detailing the measures taken already and further dates for action within 5 working days. A statement on the causes of the error and corrective measures (e.g. in the form of an 8D report) shall be submitted to Licatec within 2 weeks of receiving the complaint at the latest.

9. Defects or Errors Found by the Customer

If defects or errors are reported to the Licatec Group by a customer, and these can be traced back to the supplier, the supplier shall be responsible for determining whether the goods are taken back from the customer and the supplier assumes both the liability and the cost or whether the customer can scrap the goods and a free replacement is provided. Licatec shall levy a flat-rate fee of € 25 per case for complaints handling. The supplier undertakes to make a decision within 5 days of being notified at the latest, and inform Licatec in writing.

10. Confidentiality

Both the supplier and Licatec undertake to keep the technical information that they receive secret, and to only use it within the scope of this Agreement. The non-disclosure obligation shall not apply if the information is disclosed without non-contractual conduct on any part, or it falls under the state of the art.

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