Quality Assurance Agreement (QAA)

This document describes a quality assurance agreement and has been reviewed by the responsible department(s). The document Quality Assurance Agreement (QAA) of the version 004 is released.

Class	public
Version	004

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1. Foreword

Particular attention must be paid to the quality of the manufactured products in order to remain competitive in the future and to be able to meet the changing demands of customers and the needs of interested parties. We, STEP-G, align our quality management in such a way that the needs/requirements are understood, recorded and met according to expectations. For this reason, it is necessary that we also fully involve our suppliers in our quality management. The aim is to achieve and continuously improve a high level of quality of products and services to ensure that requirements are met.

This goal is achieved through the use of state-of-the-art management systems and quality assurance methods. The quality of the products depends not only on the size of the plant and the products produced, but also on the application of suitable quality assurance methods.

This Quality Assurance Agreement (hereinafter referred to as "QAA") contains basic requirements for a quality system for STEP-G SUPPLIERS.

STEP-G includes all affiliated companies within the meaning of §§ 15 et seq. of the German Stock Corporation Act (AktG). These are currently the following:

Sankyo Tateyama Europe BV, Duffel
ST Extruded Products Germany GmbH, Bitterfeld
ST Extruded Products Germany GmbH, Bonn
ST Extruded Products Germany GmbH, Hettstedt
ST Extruded Products Germany GmbH, Vogt
ST Extruded Products (Tianjin) Co., Ltd., China
ST Extruded Products Austria GmbH, Traun
ST Extruded Products UK Ltd., Godalming
ST Deutschland GmbH, Bonn

2. Purpose

This QAA is the binding specification of STEP-G requirements for the quality management system of its SUPPLIERS.

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3. Scope

This QAA applies to all deliveries and services that SUPPLIERS provide to STEP-G and companies affiliated with it. Bundled companies are all companies that are directly or indirectly under the joint control of STEP-G (§§ 15 et seq. AktG). Unless otherwise agreed, this QAA applies to the entire business relationship between SUPPLIERS and STEP-G. The conclusion of this QAA does not constitute an obligation on the part of STEP-G to conclude contracts, nor does it create a claim on the part of the SUPPLIER.

The provisions of this QAA already apply in the bidding phase between STEP-G and SUPPLIERS in order to be able to evaluate the performance of the SUPPLIERS with regard to the necessary delivery and service quality. The decision for a SUPPLIER depends largely on its quality capability. The supplier is solely responsible for the quality of the products and/or services supplied.

The QAA applies to the delivery of contract products (contract product = in particular products, materials, services and digital goods (in particular software, data and software services)); manufactured, sold to, delivered and/or made available by the SUPPLIER for STEP-G. It also applies to services that may affect the requirements of the STEP-G contract product, such as assembly, sequencing, sorting, reworking and calibration services. Furthermore, this QAA is valid for the materials and manufacturing processes used by the SUPPLIER.

The SUPPLIER is obliged to ensure that the QAA is applied along its supply chain of the SUPPLIER (sub-suppliers), including the SUPPLIERS set by STEP-G (direct purchase, directed parts and suppliers). The SUPPLIER is obliged to communicate all provisions laid down in this agreement to its subcontractors and demonstrably impose the relevant obligations of this QAA on them accordingly and guarantees compliance with the provisions of this QAA.

The QAA is an integral part of STEP-G's procurement scope and supplements the specifications of the order and the standards, regulations, technical documents and customer-specific requirements on which the subject matter of the order is based. The legal or contractual rights of STEP-G shall not be restricted either by this or by taking note of any documentation or other written communications from the SUPPLIER under this agreement.

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4. General requirements for the management system

The SUPPLIER is obliged to permanently apply a quality management system at least in accordance with ISO 9001 and ISO 14001, each in the latest version. Industry-specific management systems deviating from the aforementioned must be agreed with STEP-G in text form at the latest at the time of conclusion of the contract. The SUPPLIER shall develop its system in accordance with the requirements customary in the industry. If the SUPPLIER delivers e.g. contract products for use in the automotive sector, he develops his system towards IATF 16949. Approved exemptions declaring the waiver of such a plan must be in writing to STEP-G.

In addition, the SUPPLIER undertakes to operate an effective information security management system (ISMS) based on ISO 27001 in order to protect sensitive, specific and confidential information/data, documents and records from access by third parties.

For external testing and calibration laboratories, accreditation of the corresponding procedure according to EN ISO 17025 is a prerequisite. The SUPPLIER shall inform STEP-G immediately in text form of the withdrawal of the required certificates.

The SUPPLIER shall ensure that all applicable industry- or material field-specific requirements corresponding to the state of the art and science are met. Unless otherwise agreed, the SUPPLIER shall comply with the legal, regulatory and safety requirements identified by STEP-G for all contractual products, processes or services (internal and external) in the country of receipt, dispatch and destination. The SUPPLIER's management system must also include appropriate corporate responsibility guidelines, including codes of conduct and ethics. The SUPPLIER shall comply with the principles of the United Nations Global Compact Initiative (UN - https://www.unglobalcompact.org) and take them into account in its supplier management.

The SUPPLIER is obliged to continuously apply a zero-defect strategy and to continuously improve in order to achieve zero defects for its deliveries and services. To this end, the SUPPLIER must in particular implement suitable systems and controls in order to ensure the punctual delivery of compliant, error-free and defect-free contract products. Step-G specific requirements must be included in the SUPPLIER's management system.

The necessary and planned measures as well as the course of continuous improvement must be proven in writing by the SUPPLIER at the request of STEP-G. The SUPPLIER shall avoid defective deliveries for all its deliveries by all reasonable and necessary means, in particular if risks to life and health cannot be ruled out when using defective products.

The achievement of quality objectives by the SUPPLIER is incorporated in particular into a supplier evaluation conducted by STEP-G. The non-achievement of goals can lead in particular to poor ratings and thus to a subordinate consideration in further projects. Other agreements may be made. The achievement of the agreed quality objectives and intervention limits does not exclude any warranty or compensation claims by STEP-G for defective deliveries, nor are they limited as a result.

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5. Applicable supplier certificates

The SUPPLIER undertakes to provide proof of certification by sending its certificates for all production sites to STEP-G, Purchasing Department (purchase@step-g.com). Proof must be provided every 12 months, for the first time with the entry into force of the contract, and unsolicited. The SUPPLIER shall immediately inform STEP-G in writing of possible changes to its certification, in particular in the event of expiry, termination or suspension.

6. Extended personnel qualification

The SUPPLIER assigns responsibility and authority to personnel to ensure that all STEP-G requirements are met. The responsibilities of the SUPPLIER and the applicable level of qualification are documented and maintained by the SUPPLIER and made available to STEP-G on request. At the request of STEP-G, the SUPPLIER shall appoint a trained and qualified product safety and conformity representative for all production sites. The appointment of the SUPPLIER's product safety and conformity representative per location is documented by the SUPPLIER and kept up to date

7. SUB-SUPPLIER Management

The requirements of this QAA also apply to the management system that the SUPPLIER sets up with its subcontractors. At the request of STEP-G, the SUPPLIER shall submit product releases from subcontractors and corresponding quality contracts with its subcontractors. The SUPPLIER is responsible for the monitoring and continuous improvement of the subcontractors.

8. Audits

8.1 Audits by STEP/G – Supplier audits

STEP-G reserves the right, with reasonable advance notice, to carry out audits and evaluations of the relevant management systems, processes and contractual products together with the SUPPLIER, its customers or a third party commissioned by STEP-G or STEP-G customers , or to participate in audits and evaluations, in order to verify compliance with the provisions of this QAA and the implementation of quality assurance measures. The SUPPLIER guarantees that an audit by STEP-G is entitled to be carried out within the normal, industry-standard business hours after appointment with the SUPPLIER. If third parties commissioned by STEP-G are to participate in or carry out the audit, STEP-G will obtain the consent of the SUPPLIER in advance. Consent may only be refused for good cause.

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According to the circumstances, e.g. the market of the customer or product, STEP-G reserves the right to decide in which standard the audit is carried out. During such audits, the SUPPLIER shall provide the necessary resources and documentation necessary for the appropriate conduct of the audit. An audit report, including the relevant evaluations and explanations of the audit result, shall be provided to the SUPPLIER by the respective auditor. All necessary next steps (action plans, scheduling, tracking/review of measures, etc.) are coordinated together with STEP-G. The audit results may have effects and consequences for the future business relationship between STEP-G and the SUPPLIER. Based on identified material delivery risks (e.g. supply standstill, customer standstill, OEM standstill, violation of safety requirements, violation of official/legal requirements, etc.) with regard to contractual products or services of the SUPPLIER enables SUPPLIER STEP-G and the customer of STEP-G to carry out an audit/assessment of the SUPPLIER and its subcontractors at short notice (within 24 hours).

8.2 Audits by SUPPLIER

For all STEP-G manufacturing processes, the SUPPLIER must carry out an internal SUPPLIER process audit within a period of 3 years in order to check the effectiveness and efficiency of the methods used. In principle, the usual market method for process audits must be chosen, e.g. an evaluation according to VDA 6.3 for the automotive sector. Based on incidents that have occurred and identified risks, STEP-G may require a shortening of the frequency. At the request of STEP-G, the SUPPLIER shall provide all audit results, including documentation and updated action plans.

9. Documented information

9.1 Reference

The SUPPLIER shall put in place appropriate procedures governing the procurement, testing, distribution and archiving of specifications, standards and internal procedures. He must ensure that only the applicable expenses are used and that outdated documents are eliminated immediately in an adequate manner.

9.2 Record Retention

Unless otherwise agreed, the SUPPLIER is obliged to provide at least records from initial sample test reports, tools (including maintenance and customer-owned tools), product and process design (construction documents), purchase orders and/or contracts and changes, annual requalifications and validations, material certificates, traceability records, corrective actions, audit reports, quality performance, inspection and test results , production documents, for at least 15 years (aerospace 50 years) for STEP/G.

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9.3 Contingency plans

The SUPPLIER is obliged to draw up contingency plans containing at least the elements based on the requirements of IATF 16949, including potential cyber attacks on IT systems, in order to adequately protect the supply of contract products by STEP-G. The SUPPLIER develops an emergency plan for each production/shipping location. The plans include a risk assessment, potential impact on STEP-G and a notification procedure to STEP-G. The effectiveness of the plans must be reviewed regularly (at least annually).

9.4 SUPPLIERS Performance Monitoring / Customer Satisfaction

The SUPPLIER will be evaluated in a multidisciplinary approach in terms of performance in the categories of quality, logistics and customer satisfaction, taking into account actual performance. STEP-G transmits this supplier evaluation to the SUPPLIER. The SUPPLIER initiates corrective and continuous improvement measures in a result-oriented manner. These measures are proactively communicated to the relevant STEP-G receiving site and are subject to regular review. The evaluation can have consequences for the future business relationship between STEP-G and the SUPPLIER.

9.5 Incoming Goods Inspection

There is no obligation on the part of STEP-G to carry out an incoming inspection that goes beyond the scope described below. Upon receipt of the contract products, STEP-G checks whether the contract products correspond to the ordered quantity (number) and type (identity). This check is limited to the comparison between the STEP-G order documentation (in particular order number, product name, order text) and the supplier's delivery documents (in particular delivery note, marking of packaging units) as well as whether the contractual products have clearly visible transport damage externally without carrying out an individual test. There are no further obligations with regard to the incoming goods inspection. Deviations and/or defects in the delivered contractual products can also be detected in particular during processing (assembly) or the field behaviour of the contractual product and asserted by STEP-G against the SUPPLIER. STEP-G shall immediately notify the SUPPLIER of any defect detected during the incoming goods inspection, processing or field failure. If STEP-G fulfils its obligations in accordance with this Section 8.5, the SUPPLIER waives the objection of delayed defects (§ 377 HGB)

If there is a threat of production downtime at STEP-G or its customers as a result of faulty deliveries, the SUPPLIER undertakes to remedy the situation immediately (replacement deliveries, sorting or rework). STEP-G may, after consultation with the SUPPLIER, carry out the rectification itself or have it carried out by a third party. Any resulting costs shall be borne by the SUPPLIER. If the SUPPLIER does not respond to contact tests of STEP-G for the purpose of consultation within 24 hours or is not available within the same time, short-term sorting and/or rework measures to prevent damage by STEP-G may be carried out or commissioned at the expense of the SUPPLIER, even without consultation.

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9.6 Certificate

If specified, a signed certificate of conformity must be kept at the SUPPLIER or attached to each shipment. The certificate of conformity shall contain the actual results confirming compliance with all specified and agreed requirements.

10. Product life cycle

10.1 Advanced planning of quality

The aim of STEP/G is to pursue a prevention-oriented and risk-based approach in the various phases of process development with the overarching goal of avoiding potential deviations and delivery problems in series production. Before confirming the offer or order, the SUPPLIER carries out a feasibility check on the basis of the technical documentation in order to ensure safe production with appropriate production facilities. For this purpose, the SUPPLIER must plan and introduce preventive maintenance for measuring equipment, tools and equipment provided by STEP-G. Suppliers responsible for design must apply reliability methods (e.g. VDA RGA, APQP) during the product design, verification and validation phase to ensure the robustness and longevity of their contract product. If necessary, a separate coordination must be made by the procurement department of STEP-G.

10.2 Feasibility Statement

At the same time as its offer, the SUPPLIER submits a feasibility statement in which the SUPPLIER analyses whether it can meet all specified requirements for the offered contractual product. The analysis must relate to project plan (scheduling), quantities, quality objectives, technical, safety, environmental, legal, and regulatory requirements. The analysis must also take into account potential risks, risk mitigation measures and experience from previous (similar) projects/products.

10.3 Prototypes and pre-series parts

If prototype and pre-series parts are required, the SUPPLIER coordinates the production and test conditions with STEP-G and documents them. Pre-series parts must be manufactured according to final series production conditions. The sampling must be carried out and documented by the SUPPLIER in a comprehensible and reproducible manner in accordance with the required standards .

10.4 Initial sampling

Initial sampling is used to determine whether a SUPPLIER meets all the requirements of STEP-G and its customers, specifications and process requirements. The initial samples from it must be manufactured with manufacturing processes and tools that will be used in the later series delivery. The production methods used for the Initial Sample Inspection Report (ISIR) must have the defined ability to consistently produce contract products while running at the required minimum production rate. This information is subject to review by STEP-G. The standard template must be suitable for the respective

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industry and market, e.g. PPAP Level 3, VDA Volume 2 or EN 9102. Associated ISIR sample parts must be clearly marked as such. If necessary, an additional pre-series and safe launch concept (safe-launch-concept) must be applied. The SUPPLIER contract product and processes are approved when the ISIR cover sheet has been signed and approved by STEP-G. The release by STEP-G does not release the SUPPLIER from any liability for delay or defects. STEP-G will only take over the SUPPLIER's contractual products in series production after written approval by ISIR. Serial deliveries from the SUPPLIER to STEP-G prior to ISIR release require special approval. STEP-G reserves the right to return in the event of a missing release or special release. A claim for expenses or compensation of the SUPPLIER does not result from this. For the shipment of SUPPLIER contract products before full written approval, an approved SUPPLIER deviation request from STEP-G is required.

10.5 Requalification

The SUPPLIER shall requalify its contractual products regularly, at least once a year, unless otherwise agreed with STEP-G. The re-qualification consists of a layout inspection and a functional check for applicable requirements. The results must be documented and made available to STEP-G for evaluation without being asked. For this purpose, the initial sample test report forms according to the ISIR standard are to be used to document the results. In the event of non-compliant test results, the SUPPLIER is obliged to inform STEP-G immediately in writing.

Note: Verified properties/requirements that are regularly checked during normal production in accordance with the control plan may be used and included in the annual requalification.

10.6 Process capability and control

Product and process characteristics for which capability studies are to be carried out are coordinated with STEP-G. The supplier monitors and controls the characteristics for which performance is required using suitable methods (e.g statistical process control (SPC), error prevention methods, 100% testing, etc.) and documents the control requirements in the applicable production control plan.

Unless otherwise agreed with STEP-G, the acceptance criterion for short-term studies is a Cmk and Ppk ≥ 1.67 and for the long-term process capability is a Cpk ≥ 1.33. For the "special features" mentioned in the specification documents (e.g. drawings, CAD data records), the following requirements may be made with regard to performance capabilities, in deviation from the above-mentioned standard: Process performance index/machine performance index Ppk/Cmk ≥ 2.0; Stable process process capability Cpk ≥ 1.67.

Within the scope of what is technically possible, monitoring methods and manufacturing processes must be used that inevitably prevent the delivery of defective parts (Poka Yoke).

10.7 Suitability for testing processes

In accordance with industry-standard methods (see VDA Volume 5, AIAG MSA), the SUPPLIER carries out statistical studies on the test process alignment of test equipment and test devices that are listed in

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the production control plan or that are otherwise necessary for process control, in particular to maintain process capability. The specified requirements must be ensured by SUPPLIER throughout the product life cycle, including changes such as product changes, process changes, measurement system changes, measurement system repairs or any other change that could affect the performance of the measuring system.

10.8 Labelling and traceability

Suppliers' identification and traceability system takes into account its internal risk assessment and ensures that the contract products used (including sub-components) can be traced back to the date of manufacture, shift, equipment, tool number and the respective test/conformity results. The system used at the SUPPLIER includes the trace information of subcontractors and service providers. Based on the internal risk assessment of the SUPPLIERS, batch sizes are determined that minimize both the internal and external risk from non-compliant contract products. The SUPPLIER applies the FIFO (First In – First Out) principle to its internal processes and to contract products delivered to STEP-G. If there are no contractual product-specific requirements, the SUPPLIER submits its proposal for the identification and traceability system used to STEP/G.

Details are agreed between STEP-G and the SUPPLIER as part of the advance product quality planning.

For packed parts, a maximum of 2 trace codes per packaging unit (roll, tray, tube, etc.) are required. In the case of contract products without sufficient labelling options on the contract products themselves (bare die, small part size, etc.), the traceability data must be affixed to the packaging. Unless otherwise agreed, the batch purity of each packaging unit shall be guaranteed.

10.9 Durability

The SUPPLIER shall use methodes when storing the contract products, which ensure full protection of all specified requirements for the contract products. The SUPPLIER must notify STEP-G in writing of contract products with a production date older than 12 months before dispatch, unless otherwise agreed by mutual agreement. STEP-G may require the SUPPLIER to requalify contract products older than 12 months prior to shipment. The costs for this shall be borne by the SUPPLIER. Details of this require the written agreement between the SUPPLIER and STEP-G. Special storage conditions that go beyond the usual state of the art must be agreed separately in advance for the contract product.

10.10 Lifecycle Coverage - Parts Termination Notice (PTN)

STEP-G is obliged to deliver spare parts to its customers after the end of mass production of the customer's products of STEP-G. In the case of delivered customer-specific contract products (contract product with specification originating in STEP-G or for which STEP-G holds the exclusive rights), a lifetime supply (series and aftermarket requirements) must be ensured by the SUPPLIER in accordance with the contractual agreements.

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In the event of unavoidable termination of the standard contract product (contract product with a specification originating in SUPPLIER that is not in the standard warehouse and/or standard portfolio of the SUPPLIER), the SUPPLIER shall send a written notice of termination of parts to STEP-G for at least 24 months prior to such a planned termination.

All affected part numbers/contract products of STEP-G are to be identified with the PTN. The SUPPLIER will indicate alternative products/solutions for replacement and determine the necessary storage and handling methods in case the PTN lead to a final purchase by STEP-G. The PTN must be in writing. This must be sent by the SUPPLIER either by e-mail or by letter to the purchasing department of STEP-G.

11. Special release in case of product or process deviations

Deviations from agreed or approved processes and contract product requirements/regulations require approval by STEP-G. Requests for deviation approval for contract products or processes must be submitted to step-G's receiving plant for review and approval before the contract products are shipped. Contract product/process deviations should only be applied or approved for a certain period of time or quantity. On request, the deviation request must be accompanied by a problem resolving report, preferably the 8D report. (Eight Disciplines – Problem Solving Process/Report). This report shall indicate when the SUPPLIER plans to return to normal production and the method used to identify planned deliveries, including the way in which traceability is maintained during and after the deviation period.

12. Changes to approved products and processes

The SUPPLIER and its subcontractors may not make any changes to a contract product or processes used to manufacture or control a contract product without the written consent of STEP-G. The modification procedure applies to all series, pre-series and prototype contract products and processes. The change must be initiated by means of a new sampling with a coordinated scope between the SUPPLIER and STEP-G.

Changes that require written approval from STEP-G prior to implementation:

- changes to the PRODUCT or packaging,
- Change of subcontractors
- Changes in manufacturing methods, production equipment, design change of tools Processes affecting shape, fit, function, performance and reliability,
- Relocation or establishment of production and development sites (only for development sites responsible for STEP-G projects during the development phase),
- Changes to test methods/facilities
- Production stop for more than 12 months.

In this context, THE SUPPLIER shall provide quality certificates agreed between STEP-G and the SUPPLIER.

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13. Problem solving and handling of deviations

13.1 Non-compliant products / corrective actions

If no other error analysis has been agreed, a field fault analysis according to the "Field Failure Analysis" (FFA, see VDA) approach must be carried out for returns from the field. No Trouble Found (NTF) may trigger a review with STEP-G and/or the Customer to perform further analysis and/or testing and apply measures based on the FFA requirement.

STEP-G reserves the ownership rights to all contractual products returned for analysis. If destructive tests are required to determine the causes, STEP-G must be informed by the SUPPLIER before the test. The destruction of contractual products returned for analysis is not permitted without the consent of STEP-G. Material in connection with a complaint in which the responsibility is indefinite or controversial, the SUPPLIER must keep protected in a restricted warehouse at its own expense, unless otherwise agreed. Returns must be clearly marked. Packing units shall be provided with a locking or scrap sticker. Information on the status of the material, delivery date and production must be visible. The information must be provided in such a way that it is legible upon arrival at STEP-G.

13.2 Problem Solving Method

The SUPPLIER must have authorized and trained personnel who are able to solve contract product and process problems quickly and permanently. Problem solving must be done using a defined, structured process such as the 8-discipline process, Six Sigma DMAIC (Define, Measure, Analyze, Improve, and Control), or another process that includes root cause review and validation of corrective action effectiveness. In-depth analysis techniques such as 5-Why and Ishikawa should be applied as needed and requested.

Schedule and content for reporting:

- No later than 1 calendar day after receipt of the information, the first response with containment measures must be reported to STEP/G.
- At the latest 14 calendar days after receipt of the complaint by STEP/G, the causes must be analyzed and measures defined. STEP/G must have at least an interim report.
- No later than 60 calendar days after receipt of the complaint by STEP/G, the final measures, planned implementation dates and measures to avoid repeated failures must be determined. If these measures have not yet been implemented, the date for the settlement of the complaint will be set by the SUPPLIER and communicated to STEP/G.

13.3 Allowance

For each complaint, we charge you a lump sum of 150 €, in the case of more extensive complaints, the expense will be charged at an hourly rate of 68 € per started hour according to proof.

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14. Escalation process

If the SUPPLIER does not meet defined requirements and obligations with regard to the SUPPLIER's contractual product, STEP-G will apply an escalation process with regard to the SUPPLIER. Based on the severity of the situation caused by the SUPPLIER, STEP-G will announce defined escalation levels. The goal is de-escalation. The escalation is triggered by either current misconduct or a negative supplier evaluation. In the case of a negative supplier evaluation, step 1 (see below) is automatically triggered if there is a deviation from A to B. In the event that a rating falls in C, level 2 is triggered directly. If the corrective measures do not lead to the desired success, levels 3 and 4 follow as a further escalation.

Supplier Evaluation Scheme:

90% to 100% corresponds to the assignment A

80% to <90% corresponds to the assignment B

<80% corresponds to the assignment C

Supplier identification is based on the relative values listed above. The delivery performance (adherence to quantities and adherence to deadlines), the quality processing (communication and incidents), the commercial classification and the product-specific classification are evaluated.

	Level 1	Level 2	Level 3	Level 4
Trigger	Supplier has problems	Supplier has weaknesses in problem solving	Supplier needs ext. Support to stay deliverable	Supplier cannot produce delivery capability
Actions	Vulnerability analysis Improvement program by suppliers	Q-Discussion with the executing department incl. management	Q-Talk with the involvement of top management Escalation Workshop	Allocation block Redistribution of delivery quotas Introduction Change of supplier
Team	Departments	Management	Top Management	Top Management

Based on the escalation level, the SUPPLIER must provide appropriate resources to ensure appropriate communication and the consistent definition and follow-up of necessary measures.
Regardless of the escalation stage, the SUPPLIER shall take all necessary measures to ensure that STEP-G receiving plants do not receive defective contractual products. Such measures can include additional/redundant tests up to the need for a 100% inspection.
In stage 3, the SUPPLIER will engage an independent third party (approved by STEP-G) to carry out all defined measures and, if necessary, further necessary improvements at the expense of the Supplier. The SUPPLIER shall notify STEP/G of the status of the measures taken and their effectiveness. Contract products sent during the escalation stages must be marked with a jointly agreed identification procedure. If the SUPPLIER is unable to restore its ability to deliver despite external assistance, new assignments are excluded and a change of supplier is initiated. All direct and indirect costs caused by this escalation process will be charged to the SUPPLIER and shall be borne by the SUPPLIER.

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15. Final provisions

Changes and additions to this agreement, including changes to this written form clause, must be made in writing.

Should any provision of this Agreement be or become invalid or unenforceable in whole or in part, this shall not affect the validity and enforceability of all other provisions of this QAA. The invalid or unenforceable provision shall be deemed to have been replaced by the effective and enforceable provision that comes closest to the economic purpose pursued by STEP-G and the SUPPLIER with the invalid or unenforceable provision.

This Agreement and its interpretation shall be governed exclusively by the laws of the Federal Republic of Germany. The United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 (CISG) shall not apply.

STEP/G	[SUPPLIER]
Place / Date	Place / Date
Funktion / Name	Funktion / Name
Funktion / Name	Funktion / Name

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16. Revision Tracking

Version	Date	Author	Changes
01	07-2021	Enrico Cappai	Regeneration
02	09-2021	Enrico Cappai	Inputs for supplier evaluation and criteria for escalation classification
03	01-2022	Enrico Cappai	Various votes and additions
04	03-2022	Enrico Cappai	Foreword added by interested parties, editorial changes

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