



Quality agreement with suppliers of material inputs

1. General information

This document is part of other agreements in the field of purchasing, quality and logistics that have been concluded between **Flídr metal s.r.o.** or **Flídr plast s.r.o.** – hereinafter referred to as the customer and its **supplier** in the supply chain, the quality conditions and rules of which are set out by the 3rd party – the end producer in the Annex referred to at the end of this text. Both parties, i.e. the customer and the supplier are bound by this framework. In the case of the purchase of finished parts, spare parts, semi-finished products or production materials that become part of the joint product, the supplier is responsible for transferring these quality conditions and rules to its supplier.

Any effective specific deviations from these project-specific rules must be agreed by specifically.

2. Product safety, product warranty

In accordance with the requirements of the supply chain, the supplier is obliged to appoint and authorize a product safety representative. The Supplier is obliged to immediately inform the Customer in writing (by email) of any changes related to this position.

3. Process and product approval

The methods used are those according to the current version of the VDA 2 standard, if not contractually specified otherwise.

4. Retraining tests and product audits

The supplier is responsible for carrying out all retraining tests of its production. Tests are required according to the drawing or a special attachment of the customer. The period of retraining tests for D/TLD properties will be defined by the customer, but at least once every 12 months, for other properties at least once every 3 years. The supplier will require the retraining of validation tests from its suppliers. Security characteristics messages (D/TLD) must be forwarded for the duration of the contract.

5. Material certificates

Material certificates are required for each delivery of material to the customer along with delivery notes.

6. Additional documents that are required

6.1 Contact list

The supplier maintains an up-to-date list of its contact persons.

6.2 Quality Management System Certification

The supplier documents successful certifications and recertifications of the quality management system with copies of a valid certificate (IATF 16949, VDA 6.1 or ISO 9001).

In the event of the start of the decertification process, the supplier shall inform of this fact without undue delay.



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6.3 Performance tests

The contractor is required to perform two-day production according to the approved project scheduling. The supplier is asked to agree in advance on the exact date for two-day production with the customer at least 2 weeks in advance. This request could be replaced by confirmation of capacity by the supplier.

6.4 Self-audit

The supplier shall carry out a process self-audit according to the quality conditions and rules of the supply chain, at least once every 12 months, and provide the results to the customer. The customer has the right to carry out an audit at the supplier's plant in order to verify the supplier's own audit. This audit may also be required and carried out with the participation of customer or **Chyba! Nenalezen zdroj odkazů.**OEM representatives.

6.5 Capability

- SPC results as part of proof of quality, the supplier must ensure control of the properties of special, i.e. special and critical characteristics according to the specifications.
- The mechanical and chemical properties of the materials must be confirmed by the certificate specified in the order.
- Capability requirements: Cmk, Ppk ≥ 1.67 , Cpk ≥ 1.33 . For safety characteristics Cmk, Ppk ≥ 2 , Cpk ≥ 1.67 . If it is not possible to get to the desired capability of the process, we ask for a 100% check.

7. Qualitative non-conformity of delivery

In the event of a qualitative discrepancy, the supplier must provide the customer with information about the solution using the 8D method according to the VDA 8D standard – Problem solving in 8 disciplines. Measures (3D message) within 24 hours, complete 8D (root cause of the problem, analysis and permanent action) must be sent to the customer within 10 days. If the supplier does not send a response within the specified period, the complaint is considered recognized. The cost of the claim will be charged according to the table of penalties below.

Description		Penalties in EUR	Quantity
Document	Complaint / Problem	120 EUR	Claim
Non-conforming material	Sorting / repairs internal	35 EUR	Per hour
Non-conforming material	Sorting / repair external	actual cost	Claim
Non-conforming material	Defective products	actual cost	Claim
Complaint not captured by the customer	Defects penetrated within the supply chain	actual cost	Claim
Non-conforming material	Tool damage, machine damage caused by non-conforming material	actual cost	Claim

The very method of financial and material settlement of the non-conforming delivery consists, unless operatively agreed otherwise, in the return of parts and their replacement by the same delivery, and crediting (corrective tax document within 14 days) additionally recognized by our accounting office.



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8. Qualitative rating of the supplier

8.1 Rating criterion of technical acceptability

As part of the technical acceptability check, the supplier is included in the project, even before the contract is awarded. The specific output of the technical acceptability assessment is the risks classification (A-B-C), which is both a rating criterion and also determines the method of supervision in the management of maturity degrees.

8.2 Rating criterion of qualitative performance

The supplier's rating criterion is PPM, i.e. the proportion of defective parts per 1 000 000 parts manufactured. Part means the amount of material consumed during production at the customer's site for the final product. Defective means a part that does not conform to the customer's specification, legislation or function, which was caught at any stage after delivery and the defect arose before delivery.

The requirement for PPM limits is:

	1. year	2. year	3. year	4. year	5. year
Highest possible rating A	<100 PPM	<20 PPM	<10 PPM	<5 PPM	0 PPM
Highest possible rating B	<500 PPM	<100 PPM	<20 PPM	<20 PPM	<20 PPM
Rating C	Failure to fulfil the condition for rating B				

The monthly rating of the supplier is carried out according to criteria and scores – see the table above.

In the case of rating A – supplier, no information is sent.

In the case of rating B or C – the rating sheet is sent to the customer and action plans are required.

The annual rating is sent to the supplier every end of the year or on request.

8.3 Rating criterion of the supplier's qualitative competence

The rating criterion of the supplier's qualitative competence is the result of the process audit according to VDA 6.3.

9. Other

If the customer does not receive a response to the requirements of this agreement within 10 working days, this agreement shall enter into force with the first performance of the order, and means that the supplier accepts all requirements specified in the text with no remarks.

The supplier ensures production in accordance with applicable legislation (including all relevant rules for safety and the environment).

The customer reserves the right to view and check all documents and records related to the quality and control of the products delivered and the processes involved.

On behalf of Flídr metal s.r.o. and Flídr plast s.r.o. in Široký Důl on 12 March 2021

Vladimir Hanák
Supplier Quality Manager