

Guidelines for Suppliers

of Wilhelm Oberaigner GmbH, A-4154 Nebelberg, Daimlerstraße 1 as amended on 07.01.2008.

These Guidelines apply to all suppliers of Wilhelm Oberaigner GmbH, A-4154 Nebelberg (later on mentioned as Oberaigner).

1 Ambit

These terms apply to all purchase agreements between Oberaigner and supplier as amended with the supplier together with all terms and conditions of purchase of Oberaigner.

The supplier will commit his subcontractors to compliance with duties he accepted.

2 Quality assurances – Implementation of quality management

To assure an acceptable and constant quality of the products, the supplier pledge himself to install and keep an appropriate quality management system, according to EN ISO 9001:2000, VDA 6.1.

The supplier is responsible for the development of his subcontractors. If the supplier places the order to his subcontractors, these companies have also to fulfil the requirements. The change of subcontractors has to be communicated to Oberaigner in time and authorised by Oberaigner.

Oberaigner reserves the right to audit subcontractors too but through this the supplier is not absolved from his responsibility for his subcontractor.

3 Agreements in terms of quality

3.1 Important criteria (MmbB)

Basically all criteria of product and processes are important and have to be followed.

MmbB are some very important criteria because if there are deviations it may have a bad impact on the functionality of the product or on legal restraints.

They are set up by Oberaigner and/or arise from the customer's Design-FMEA or Process-FMEA.

MmbB are labelled with (W).

3.2 Products and features with special verification

These are products which features have an important impact on the security of the vehicle or the compliance with regulations. A certain amount of risk is estimated. This products and features are labelled in all technical documents of Oberaigner with (D).

3.3 Release of product and process

3.3.1 First sample

First samples have to be produced and checked under circumstances of series manufacturing (machine, inspection equipment, equipment, machining conditions).

Inspection results of all features have to be documented in a fist sample test report.

The amount of all parts which have to be documented must be agreed according to VDA 2. If there aren't any other agreements, submission level 2 will be applied. First sample plus fist

sample test report and all documents required by Submission level have to be sent to the stated address and deadline. For identification of the parts, same numbers/names have to be used in the first sample test report and in the current version of the drawing.

Variations of Oberaigner-specifications which haven't been asserted in release of product and process, authorises Oberaigner to object to these variations at a later date.

3.3.2 Reasons for First sample

According to mentioned laws first sample are necessary

- if repetition part is ordered for the first time,
- if there are changes of subcontractors of the supplier or
- after changes of the product for all affected features.

3.3.3 First sample-documentation

First sample-documentation has to be sent with the first sample. If there are documents missing, this will lead to a negative rating of the supplier. First samples without documentation can't be dealt with.

The first samples have to be labelled conformable.

3.3.4 Repetition parts

Serial delivery is only allowed after the release of products and processes. The release of products and processes include normally:

- release of first sample
- release of quality planning
- confirmation according to agreed Submission level as per VDA

The supplier is bound to adjust the release of products and processes for the particular part with Oberaigner, to send the required documents e.g. control plans and process-FMEA-documents and to assure compliance with requirements for products and processes.

Subsequent changes of products and processes have to be released by Oberaigner.

4 Characteristics of process capability

Minimum requirements:

Machine acquirements: cmk 1,67

Preliminary process acquirements: ppk 1,67

Continuous process acquirements: cpk 1,33

Requirements for DS/DZ – criteria (security-relevant / certification-relevant):

Preliminary process acquirements: ppk 2,0

Continuous process acquirements: cpk 1,67

The supplier carries out analysis for process capability at least for products and features with special verification prior to SOP (start of production). He is bound to carry out the necessary measures to prove the required process capability.

For regulation of the manufacturing process, the current control of product characteristics and all process-related parameters the supplier uses the most suitable procedures.

5 Continual improvements

The supplier is bound to aspire to continual improvements. This means that in processes with cpk-figures > 1,33 a program for improvement has to be planned and realised bearing in mind economics.

6 Complaints

After complaints of Oberaigner measures for improvement have to be taken, documented and, if required, submitted in writing e.g. 8-D-Report.

7 Audits

Because of frequent product and process audits the supplier has to satisfy himself that all specifications of supply (inspection, labelling, and packaging) are fulfilled. The results have to be documented inclusive the taken measures. The effectiveness has to be proven.

Moreover Oberaigner or a third party instructed by Oberaigner has the right to inspect and judge the suppliers' quality assurance measures. The optimisation of all identified chinks is task of the supplier. Oberaigner is allowed to demand for investment in optimisation.

8 Labelling / Tracing system

Oberaigner expects a labelling of the parts from the supplier like mentioned in the following list:

The labelling must show the part-number and name incl. revision states from drawing parts and the membership of the fabrication batch with manufacturing date (one date = one fabrication batch). This labelling is normally conducted with material tags according to the VDA-recommendation 4902 version 4. The numbers of the parts have to be cited on the packaging and on the bill of delivery.

Documents of inspection and consignment have to cover the agreed labelling. The supplier will document the tracing system and adjust with Oberaigner.

9 Conservation and Packaging

The supplier and Oberaigner will put the instruction of conservation and packaging down on paper. Parts to be provided transferred to the supplier in repositories must be sent back to Oberaigner in the same repositories. If parts sent back in other boxes, the repositories have to be given back with a notation applied about the return within 14 days exempt from charges. If this isn't the case, the supplier will be charged with costs of purchase of the repository.

10 Inspection document

In particular cases type and scope of the inspection document may have to be agreed between Oberaigner and the supplier.

If there isn't any other written agreement, the supplier has to create an inspection document according to EN10204, which has a reference to the delivery (bill of delivery and part number) and simultaneously delivered to Oberaigner with part-delivery.

Type, content and amount of the inspection document are defined as follows:

- Type: Certificate 3.1B according to EN10204
- Content: Products and features with special relevance, data of material and other important features are minimum content of inspection documents.
- Amount: The supplier is bound to control in an appropriate amount of inspection. If there isn't any written agreement between supplier and Oberaigner, the supplier is bound to control at least 3 parts.

This regulation is valid for the time of first sample and the first 3 serial deliveries after positive first samples. But at least it is valid until there is another written agreement arranged.

If problems occur after the agreed time or caused by exceeding the limits Oberaigner is allowed to change the type, content and amount of the inspection document with an agreement with the supplier.

If information is insufficient or if there is a lack of clarity, the supplier has to contact Oberaigner.

11 Deviating permission

The supplier has to deliver conform to drawing and specification. If the supplier isn't able to do so temporarily because of slight deviations, he is able to propose deviation permission to Oberaigner. Deviations can only be allowed, if it doesn't make an impact on security, function and product life of the parts.

The request is examined for its consequence. A written comment will be carried out within an adequate time.

Deviating permissions have to be in writing and are limited to a certain amount of parts.

A deviating permission has to fulfil the following issues:

- Names and numbers of parts, revision state
- Type and amount of deviation (plus drawing)
- If a deviation of material occurs, the accurate specification/analyses
- Possible results of tests
- Quantities and delivery period respectively effected by deviation

A release does not relieve the supplier from its responsibility. Oberaigner has to be informed about the deviation in writing/electronic before the dispatch of not compliant parts and a written/electronic permission of Oberaigner is essential anyway.

12 Secrecy

The supplier is bound to keep all in confidence relating to economic information, especially experiences, objects, cognitions or constructions he will get access to. This secrecy will last for 10 years after ending of business relation. Moreover the supplier isn't allowed to share this information with a third party and use it for industrial purposes. Third parties are all companies without any connection to Oberaigner. These companies have to be imposed the same secrecy, if a transfer of information happens. If a violation of this secrecy is the case, the supplier has to make good the whole damage.

13 Final clauses

Changes, extensions and the suspension of this regulation need to be in writing.

If problems occur which both partners haven't anticipated, the partners are bound to solve the problems reasonably and in partnership.

Terms of purchase of Oberaigner are still valid. If there are cross-purposes between these terms and the terms for suppliers of Oberaigner the terms for suppliers apply.