

**KÜSTER**

# **Quality Assurance Guidelines for Suppliers**

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## Quality Assurance Guidelines for Suppliers

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## A Introduction

### A.1 Scope of application

The following guidelines specify the minimum requirements which all suppliers of industrial goods and services who work on behalf of all KÜSTER companies and their subsidiaries and affiliated companies must fulfil, irrespective of where they are located (subsequently referred to as 'KÜSTER'). These requirements also apply to the KÜSTER factories which supply components to other KÜSTER locations.

KÜSTER supplies high quality products on time which meet the high requirements of our customers. KÜSTER demands the same requirements from its suppliers.

### A.2 Purpose

The purpose of this guideline is to communicate the KÜSTER requirements to their suppliers.

### A.3 Basis

The requirements of KÜSTER with regard to their suppliers are based on ISO/TS 16949 (requirements of quality management systems) and ISO 14001 (requirements of environmental management systems) in the currently valid version. These requirements are a legally binding component of the delivery contracts concluded by KÜSTER. The contractual requirements are neither affected nor limited in any way through this set of guidelines.

This set of guidelines replaces the previous Quality Assurance Guidelines for Suppliers as well as the Advanced Quality Planning Guidelines.

## B General requirements

### B.1 Continual improvement process / 'zero defects' strategy

KÜSTER suppliers must achieve continual improvements in the context of quality, delivery schedules, delivery quantities, costs and other elements of the cooperation. To fulfil this requirement, the supplier must determine performance specifications and goals according to priorities, monitor them and align their operations appropriately.

With the specification of the goals, the supplier must take into account at least business plans, management systems, product quality, process capability and customer satisfaction. Activities which are carried out in order to achieve a previous standard of performance are corrective actions and do not serve the process of continual improvement.

KÜSTER reserves the right to visit the locations of the supplier in order to be able to evaluate the continual improvement programmes and to provide suggested improvements in this context.

### B.2 Contingency plan

KÜSTER suppliers must create a contingency plan, e.g. based on an emergency FMEA (e.g. for the event of the failure of the electricity, gas or water supply, IT systems, staff shortages or for the failure of important machines and systems and in the case of field returns), to ensure KÜSTER is able to supply in the event of an emergency.

### B.3 Supply of replacement parts

Suppliers must guarantee that KÜSTER is supplied with repair and service parts for 15 years subsequent to the discontinuation of the project (meaning subsequent to the end of serial production / serial delivery) unless no other written agreement has been made concerning the purchasing by KÜSTER.

### B.4 Product safety and compliance with legal regulations

Notification of potential safety failures: The supplier must notify the KÜSTER quality assurance department without delay if they discover a product failure which impairs the product function to the extent that a risk to life and limb exists on the basis of the design, construction or functioning of the product, or in the event of the risk of damage to property increasing to an unacceptable level. Such notification must occur in the written form. The cause of the failure will be determined in cooperation between KÜSTER and the supplier and a corrective action plan will be created with which the failure can be eliminated as quickly as possible.

Compliance with legal regulations: The supplier must familiarise themselves with all of the currently valid legal regulations, provisions and norms which are currently applicable in the area of the safety of motor vehicles (e.g. 49 USC 301 ff., TREAD law, EU directives on product safety) which apply in the countries in which the product is to be used. The same applies to the applicable provisions from international and national environmental law, please also refer to section D.2.

**Obligation to notify authorities:** The supplier is obliged to give KÜSTER copies of all the data, materials and information which the supplier has submitted to authorities in the context of the products supplied to KÜSTER (1); these especially include trial, production, vehicle use and guarantee related data. The supplier is to provide KÜSTER with such information within 10 days subsequent to their submission at the corresponding authorities.

**NOTE 1: The supplier is obliged to notify KÜSTER immediately if they have provided an authority with information about the recall of products which are identical or similar in terms of their key points (2), irrespective of whether the recall occurs voluntarily or by order of an authority.**

**NOTE 2: Pursuant to the NHTSA, pieces of equipment for vehicles which are either identical or similar in terms of their key points are parts which are sold or used outside the USA (and its associated areas) and which are identical to or similar in terms of their key points to pieces of equipment for vehicles which are sold or offered in the USA (and its associated areas) as long as the pieces of equipment which are sold and offered within and outside the USA use one or several identical components or systems, and the components or the system have the same function in the vehicles or vehicle equipment which is sold or offered in the USA (and its associated areas), irrespective of whether the corresponding parts numbers are identical or not.**

## **B.5 Requirements of the scope of delivery and electronic data interchange**

The supplier must fulfil the delivery requirements which KÜSTER has specified to 100%. Costs which are incurred to KÜSTER due to deviations from the delivery requirements and for which the supplier is responsible are to be borne by the supplier.

If it should turn out to be the case that parts which deviate from the requirements are delivered to a KÜSTER location, the supplier must inform all KÜSTER locations which were supplied with the same parts about the deviation and the applicable problem solving process.

In order to guarantee the highest possible level of efficiency in the logistics chain, the supplier must in general fulfil the electronic data exchange pursuant to the VDA standard. If necessary, a deviating standard can also be agreed upon depending on the EDI configuration of the supplier (Edifact, Odette).

The following minimum technical requirements must be guaranteed:

- The receipt of requirements (VDA 4905, 4915)
- The sending of delivery notifications (VDA 4913)

To set up the communications route, the 'OFTP – specifications – communication parameters' form is to be filled in by the supplier.

Costs which are incurred to the supplier through the system-related connection of the IT systems are to be paid by the supplier themselves.

The use of proven procedures (OFTP via ISDN or TCP/IP) is recommended for the exchange of CAX data.

To set up a data exchange for the first time, the documents created for this purpose 'Setting up an EDI connection' (EDI checklist) are to be used. Additional specifications are to be agreed prior to the awarding of the contract.

## **B.6 Charging of costs in the event of non-compliance with agreed requirements**

KÜSTER is able to charge the supplier with fees at an appropriate amount for one of the following reasons:

- a) Justified complaints
- b) Delay or a reject of PPAP- /PPF samples
- c) Inaccurate delivery performances (in addition to all other costs which are incurred to KÜSTER through the failure)
- d) In the event of customer waivers which are caused by the supplier

## **B.7 Parts requiring special documentation**

Parts requiring special documentation are parts which can present an immediate risk to life and limb or for which compliance with legal provisions is required.

Parts requiring special documentation are highlighted in the KÜSTER drawings with the symbol 'D'.

Characters requiring documentation are identified in the KÜSTER drawings with a bar above the feature.

Special requirements concerning the documentation and archiving apply to parts which require special documentation (refer to point B.8).

## **B.8 Documentation and Archiving**

For the purpose of verification management, the supplier must archive quality requirement documents and quality records during the specified period of time.

Documents which refer to critical characters must be archived for a minimum period of at least 20 years (deviating from VDA vol. 1) and must be available in complete form at all times. An archiving period of 3 years applies to documents which do not refer to critical characteristics.

Additional legally specified retention periods are also to be complied with.

Further details about the archiving can be found in VDA volume 1, 'Documentation and Archiving'.

## **B.9 Applicable legal regulations, provisions and standards**

The supplier executes their business activities such that all of the materials and products which are supplied to KÜSTER fulfil the applicable environmental protection laws and provisions of the countries in which the supplier is operating. Also refer to section D.2.

The supplier must be aware of all of the applicable legal regulations, provisions and standards which concern the safety of motor vehicles (e.g. US FMVSS – safety norms, 49 USC 301 ff., the TREAD law or the EU regulations on product safety). Please also see section B.4.

## **C Requirements for quality management systems**

### **C.1 General requirements for quality management systems**

All suppliers who are working for KÜSTER either now or in the future must at least be certified according to ISO 9001. Certification according to ISO/TS 16949 shall be achieved. Certified suppliers must provide copies of their first and newly issued certificates within 10 days subsequent to receipt to the KÜSTER purchasing department. The supplier is also obliged to inform KÜSTER within 24 hours if the certification has been suspended by the certification body.

In addition to this, all of the suppliers must fulfil the requirements which are specified in the VDA and/or AIAG reference manuals.

The present guidelines contain additional requirements. KÜSTER is able to change the requirements at any time if our requirements or the requirements of our customers change. The suppliers of KÜSTER are obliged to acquire the ISO/TS 16949, VDA – and AIAG reference manuals and all of the documents in the context thereof in their currently valid versions.

The valid version of the present guideline is provided on the KÜSTER homepage.

### **C.2 Advanced Product Quality Planning (APQP)**

The supplier must develop a quality plan / project plan according to the KÜSTER requirements which is to be presented to KÜSTER for inspection.

This plan must at least include the following actions and / or mile stones:

- a) Manufacturability evaluation
- b) Capacity verification
- c) Design / process FMEA (design FMEA only for suppliers with design-responsibility)
- d) Control plan
- e) Product related quality agreement
- f) Gauges / testing equipment
- g) Tools
- h) Systems / new equipment
- i) Parts / services from sub-suppliers
- j) Test run and correction loop
- k) Internal sampling and correction loop
- l) Functional tests
- m) Packaging
- n) Presentation of initial samples

This plan also serves the progress checking of the supplier within the Advanced Quality Planning Process (APQP).

### **C.3 Order placement briefing**

Prior to the placing of an order, an order placement briefing is carried out with suppliers and potential suppliers – as long as KÜSTER does not decide to omit this step. During this multi functional discussion, issues and problems concerning the areas of technology, quality, production, machines, purchasing, logistics and business processes which affect the project are discussed. The condition for the placing of an order is that the supplier accepts all of the requirements which were agreed during this discussion. The agreement will be recorded in the minutes of the meeting and documented on the drawings in the event of design and specification items. The drawing will finally be signed by the participants of the order placement briefing.

### **C.4 Presentation of A-samples (for definition refer to section C.9)**

A-samples serve the verification of the serial-production concept. A-samples are to be presented together with the documentation which proves compliance with the specifications. The provision of the samples and the documentation occurs pursuant to the requirements from the responsible development department and/or the KÜSTER quality assurance. All samples must be clearly identified and presented together with the corresponding dimensions data as well as the results of the material and performance tests. Further requirements can be agreed upon and / or communicated by KÜSTER during the order placement briefing.

### **C.5 Special characteristics**

Special characteristics are product or process characteristics which affect safety or which refer to the compliance with provisional, dimensional, functional and performance requirements or the further processing of the product. Pursuant to ISO/TS 16949, special characteristics are to be identified and especially dealt with in DFMEA, PFMEA, control plans, process flow chart, working instructions and other documents in this context. The special characteristics identified by KÜSTER are to be indicated in the drawings and specifications. The supplier is obliged to inform themselves about the further use of their product and, if necessary, to identify the special characteristics. The supplier must also ensure that the sub-contractors know, understand and monitor the relevant special characteristics.

### **C.6 Process suitability and controlling**

Unless nothing else is requested by KÜSTER, the supplier must fulfil the process suitability requirements as requested in the product-related quality agreement, drawings and/or specifications. The supplier must ensure that the process suitability and the monitoring in the control plan / production steering plan are documented, and that the process suitability values ( $C_{mk} > 1.67$ ,  $P_{pk} > 1.67$  and  $C_{pk} > 1.33$ ) are achieved and improved during the production.

### **C.7 Monitoring of subcontractors**

Every supplier of KÜSTER is responsible for the monitoring of the quality plan, the project deadlines and the continual improvement of their subcontractors. This also applies if the subcontractors are designated by KÜSTER. KÜSTER reserves the right to visit the subcontractors' locations subsequent to prior agreement with the supplier.

The suppliers of KÜSTER must request from their subcontractors that they work in accordance with the current version of ISO 9001 or ISO/TS 16949 and aspire to achieve certification.

### **C.8 Tools and measuring instruments**

All tools (moulds, samples, cast moulds, special tools) and gauges of the supplier are to be permanently marked with the parts number and the revision status as well as the name of the owner.

The supplier must carry out preventative maintenance for all tools and equipment. The completion of the maintenance work is to be substantiated on request. In addition to this, timetables for preventive maintenance as well as the history of the tools are to be documented and to be made available at the request of KÜSTER.

The supplier does not have the right to sell, pass or to scrap tools without the written permission of KÜSTER.

### **C.9 Requirements for sample parts**

The supplier must fulfil the requirements for sample parts which are specified by KÜSTER. These requirements will be declared by KÜSTER during the order placement briefing or using an alternative means of official communication.

KÜSTER distinguishes between the following sample parts:

- A-samples: samples to provide proof that the manufacturing concept is capable for serial production
- B-samples: parts form auxiliary tool with serial production-like mechanics, hardware and software
- C-samples: from production using standard moulds under serial production conditions. Deviations are only permitted if these do not have any influence on the quality or functioning.
- D-samples: from production using standard moulds under serial production conditions, EMPB / PPAP / PPF-approval available.

The supplier must clearly identify sample parts as being 'A-samples', 'B-samples', 'C-samples' or 'D-samples', so that these parts are not mixed up with parts that are supplied to the KÜSTER locations which go into 'regular' production. In addition to this, the supplier is expected to cooperate closely with the employees from the KÜSTER purchasing department in order to prevent unnecessarily high stocks of old materials from developing.

The labelling occurs pursuant to the requirements of KÜSTER and must be different from the otherwise usual supplier labelling. In particular, the supplier number, parts number, change index and quantity of supply must be clearly readable on the packaging labelling of the part so that the containers/parts can be rapidly separated from each other during a visual inspection. Every delivery of sample parts is to include a dimensional report which has been agreed with KÜSTER. Exemptions are only permitted if a written waiver is provided by KÜSTER.

## C.10 Approval of the manufacturing process

KÜSTER is able to carry out a systematic inspection of the manufacturing process at the supplier's production site. This inspection occurs according to a KÜSTER process or a KÜSTER customer process (e.g. PPAP, PPF, Run@Rate, VDA 6.3).

## C.11 Product Part Approval Process (PPF or PPAP)

All initial sampling of production parts must fulfil the KÜSTER requirements. The PPF- / PPAP- documents of the supplier must contain all cover sheets (PPF) or PSWs (PPAP) for all components (internal and of subcontractors). Additional PPF- / PPAP documents can be requested through KÜSTER. As long as no deviating agreement has been made with KÜSTER, PPF submission level 3 and/or PPAP level 3 apply as the standard submission levels.

The PPFs and/or PPAPs are to be presented to the KÜSTER purchasing department and all accompanying PPF and/or PPAP initial sample parts are to be clearly labelled as such.

The complete or provisional PPF and/or PPAP approval must be provided before parts for production are delivered to KÜSTER. Production deliveries which KÜSTER receives before approval has been issued will not be accepted. Exceptions are to be documented and approved by KÜSTER in the form of deviations. Waivers are to be requested from the responsible KÜSTER developer and enclosed as a copy in every packaging unit.

Details concerning the initial sampling, e.g. the number of initial samples, will be specified during the order placement briefing.

## C. 12 Changes to approved products and processes

Suppliers and subcontractors are not legitimated to make unauthorised changes to a product (e.g. to materials, components or sub assembly groups). This also applies to changes of the manufacturing processes through which parts are manufactured which have already received PPF or PPAP approval as well as for changes to control plans. The exchange of perishing parts of tools and production equipment is exempt from this as long as the product quality is not affected by it.

If the supplier intends to carry out changes to products or processes the responsible purchaser of KÜSTER is to be informed accordingly prior to the realisation of the changes. The supplier must apply for a product or process change at KÜSTER in writing. The change can only be carried out if the supplier has the written approval of KÜSTER. Together with this permission, KÜSTER informs the supplier about special requirements which are to be taken into consideration by the supplier during the implementation of the change and during the approval.

If this requirement is not fulfilled the supplier is responsible for all damage, losses and liabilities which are to be attributed to a change implemented by a supplier or subcontractor (e.g. rejection by the customer, costs of production downtimes at KÜSTER and/or at the customer, costs due to failures in the daily operations, guarantee costs).

## C.13 Annual product requalification

Unless KÜSTER omits to do so in writing, the supplier is obliged to check annually samples from every active product delivery as to whether all of the requirements of KÜSTER are complied with (e.g.

dimensional, materials or functional, also refer to the product related quality agreement). The scope of the annual product requalification demanded by KÜSTER corresponds with that of the initial sampling. The inspection requirements are to be documented in the supplier's control plan. All material inspections must be carried out by a qualified laboratory. Records of the annual requalification is to be archived by the supplier and to be presented to KÜSTER on request. If the annual product requalification demonstrates deviations from the specifications, the supplier must inform KÜSTER of this without delay so that appropriate actions can be decided and implemented.

The inspection costs incurred within the scope of the annual requalification will not be paid by KÜSTER.

## **C.14 Proof of compliance with requirements**

The supplier must maintain quality records concerning compliance with requirements in their documents and can also be requested to provide these records with every delivery of certain parts or certain materials. This records must provide information about the current test results of physical inspections, measurements and/or analyses as stipulated in the contract (e.g. product related quality agreement) and demonstrate compliance with all of the specified requirements.

The supplier must have a system in place with which quality records can be presented within 24 hours subsequent to the request of KÜSTER.

## **C.15 Verification of purchased parts**

The supplier permits KÜSTER, an authorised representative of a third party, or the customer of KÜSTER to check in the supplier's production site as to whether the product and the subcontracted products correspond with the specified requirements. Prior to the verification, the responsible purchaser at KÜSTER explains the agreements and the procedure that is intended for the inspection. The verification occurs in the presence of a KÜSTER representative.

## **C.16 Identification**

The goods tag serves the clear identification of the goods and storage means both in the flow of materials within the company as well as on the transport route between the supplier – freight forwarder – goods recipient. For this reason it is to be guaranteed by the supplier that all of the storage means are equipped with a current, carefully completed and bar-coded label pursuant to VDA recommendation 4902. It must in particular be guaranteed that the data on the VDA label corresponds with the contents of the storage means. In order to achieve clear identification, the supplier is obliged to completely remove old labels from the storage means prior to their filling.

## **C.17 Traceability**

Identification and the corresponding traceability concept are to be designed in such a way that:

- the traceability of the parts concerning their technical status is possible at all times (change index, production date, production lot, cavities, process changes, process data, production sites and facilities as well as individual components etc.),
- the allocation of recorded inspection and measurement results (from the manufacturing process and / or depending on complaints) is possible for the corresponding parts,
- that in the event of a complaint the immediate containment of defective parts / products / lots is possible in a clear and plausible way.

## **C.18 Containers and packaging**

The packaging is specified between the supplier and KÜSTER on the basis of common agreement, at the latest until the first serial delivery. The documentation occurs within the scope of a packaging instruction which is binding for the serial supply subsequent to confirmation by the supplier.

The external dimensions of the containers are to be set in such a way that the volume-optimised transport is possible (e.g. by fold ability). The geometry of the container is to be conceptualised in such a way that it completely fulfils the requirements of the whole supply chain.

The design of the container must ensure the product quality at loading and delivery of the components under minimum handling conditions throughout the entire supply chain.

The valid health and safety regulations are to be complied with under all circumstances and to be demonstrated if required.

## **C.19 Solution and prevention of supplier problems**

The supplier appoints trained personnel who are able to solve product or process related problems quickly and permanently. The problem solving must occur according to a defined, structured process

such as the 8D process or other processes which aim at finding the causes of failures and evaluate the effectiveness of corrective actions.

Data driven problem solving methods should also be used in the process development, verification and validation phase of the APQP / QVP process so that problems with new or changed products and processes are prevented. These data driven tools and methods include but are not limited to Potential Failure Mode and Effects Analysis (FMEA), Measurement System Analysis (MSA), Statistic Process Control (SPC) etc.

Suppliers with design responsibility must use reliability methods during the development, verification and validation phase of the APQP / QVP process in order to guarantee that their design is suitable for the intended application in terms of its robustness and durability and/or the requirements of KÜSTER.

In the event of complaints by KÜSTER, the problem solving process is to be documented pursuant to the KÜSTER 8D report. The documented action plan concerning the retention of all parts within the supply chain is to be presented within 24 hours subsequent to notification by KÜSTER, meaning answering of the first three steps in the 8D report. The response time for the following steps in the 8D process totals five working days and/or must be agreed with KÜSTER in individual cases.

## C.20 Advanced requirements for suppliers of electronic components

This section describes the general guidelines for electronic components; it does not replace the requirements for products which are described in the project specifications.

KÜSTER requests assessments of software development processes pursuant to the ISO/IEC 15504 norm. A development process according to SPICE level 3 is to be aspired for in the context of the software development. Minimum requirement is proof of level 2 according to the HIS scope for automotive SPICE. If evidence for level 2 is not available a detailed action plan is to be agreed with KÜSTER. In the event of classification as a safety-relevant product, a development compliant with the IEC 61508 standard is to be conducted and proved.

Full traceability and approval for use must be provided for the electronic components which are used.

## C.21 Evaluation of suppliers

The suppliers of KÜSTER will be informed of their delivery performance every six months. Using the half yearly evaluation, the suppliers are classified as A-, B- or C- suppliers. This classification provides the basis for the specification of special requirements and limits for the suppliers.

- A – suppliers have fulfilled the KÜSTER guidelines, improvements remain possible however, if the evaluation of an individual position does not achieve 100%
- B – suppliers have not fulfilled the delivery standard expected by KÜSTER and must carry out additional steps for the improvement of the situation.
- C – suppliers do not fulfil the delivery standard expected by KÜSTER and must provide suitable actions for improvement over the short term in written form. C – suppliers are exempt from the awarding of contracts for new products.

*In addition, selected suppliers are informed by KÜSTER ACS every month about the quality of the products supplied in the form of a PPM – evaluation over the period of the past twelve months. Based on the zero defect strategy, the suppliers are expected to strive for a quality goal of 0 ppm.*

- *One-off overruns of the ppm goals are processed within the scope of an 8D report.*
- *In the event of the recurrence of an error within one year, a quality discussion occurs with the supplier at the location of KÜSTER ACS.*
- *Repeat complaints during the evaluation period lead to a problem audit through KÜSTER ACS at the location of the supplier.*
- *In the event of the sustained ineffectiveness of the corrective actions, the supplier is suspended (change of supplier).*

## C.22 Quality assurance requirements for delivery

### C.22 1. Start of series production / ramp up phase

The safeguarding status for parts from a new manufacturing process stretches over the first 10 serial deliveries or the first 90 production days subsequent to the first delivery for serial production at KÜSTER. In this ramp up phase, KÜSTER demands a strengthened safeguarding of the supplied quality.

In addition to the inspections agreed with KÜSTER in the product related quality agreement, the supplier must specify, conduct and record strengthened inspections to the products and processes as specified in

the control plan. KÜSTER is able to request the planning and recording of these additional inspections by the supplier or at the location of the supplier.

## C.22 2. Serial delivery

In serial production phase, the inspections which have been agreed with KÜSTER in the product-related quality agreement are to be carried out and recorded.

An approval by KÜSTER concerning the product-related quality agreement does not relieve the supplier of their responsibility to deliver 100% quality conforming parts to KÜSTER.

## C.22 3. Requirements in the event of quality deviations

### Level 1 correction – status (standard – complaint)

In the event of the issuing of a complaint by KÜSTER, the level 1 correction status is automatically imposed.

Product-related actions concerning the level 1 correction status are to be introduced by the supplier without delay if KÜSTER notifies a deviation. The level 1 correction status demands the provision of the following as minimum requirements:

- a) To present an 8D report within 24 hours subsequent to the notification of a deviation by KÜSTER containing actions which show the way in which the correction status affects all of the parts in the supply chain. This covers at least parts at the supplier, parts on transit and parts at supplied KÜSTER sites.
- b) To inform KÜSTER about the results of the correction at regular intervals.
- c) To inform about the way in which products will be labelled as being quality-checked; both as individual products and in their packaging.
- d) On-location support to KÜSTER and in cooperation with employees of KÜSTER at customers of KÜSTER if this is requested.

### Level II correction – status (escalation)

KÜSTER is able to impose a level II correction status:

- if the supplier is prevented, due to certain circumstances, from carrying out appropriate and effective corrective actions,
- if the corrective actions introduced do not achieve any success,
- or if a particularly serious problem exists.

Suppliers are informed of the imposing of level II correction status in writing by the KÜSTER purchasing department.

The correction status (either level I or level II) remains in existence for the supplier until long term corrective actions have been introduced and their effectiveness proven. Suppliers only leave level I or level II correction status if the following requirements are fulfilled:

- a) 30 production days with zero defects quality, starting from the time at which the corrective status was imposed, as long as KÜSTER has not provided any other regulation. If a deviation is discovered during the period in which the corrective status exists, the term starts again.
- b) The supplier has presented a full 8D report to the KÜSTER site which is being delivered concerning the solving of the problem in which the root cause for the deviation is stated, the introduction of the corrective actions is proven, and KÜSTER has agreed to the removal of the corrective status.

The suppliers must accept all of the costs and fees which are incurred to KÜSTER due to the corrective actions, e.g. for the sending, management, processing, rework, checking, sorting and exchange of defective parts as well as the additional costs arising from demanding work sequences which were necessary for the detection of the failure. This also includes costs for inspections which are carried out by an independent party, e.g. inspection / sorting by an external company, as well as travel costs.

## C.23 Product and process deviations

KÜSTER refuses to accept products which do not fulfil the requirements of the valid drawings and specifications. Requests for the provision of a customer waiver for deviating products must be submitted to KÜSTER product development for review and approval as well as for approval by the customer prior to shipment of the products. Deviations will only be approved for a certain period of time or for a certain quantity. Permanent deviations will not be accepted.

## **C.24 Guarantees and the covering of costs**

The conditions for the guarantee and reimbursement of costs are provided in the supplier contracts and/or purchase conditions of KÜSTER. KÜSTER reserves the right to specify additional special conditions of guarantee during the order placement briefing. In exceptional cases, the purchasing department and/or the affected business area can demand a special agreement about a shared responsibility for the guarantee.

## **D Requirements of the environmental management system**

### **D.1 Certification requirements**

The supplier should install an environmental management system in their production sites which fulfils the requirements of ISO 14001. Certified suppliers are requested to present the first and subsequent certificates within 10 days subsequent to the receipt of the corresponding certificate with a copy of the certificate itself to the KÜSTER purchasing department.

### **D.2 Requirements of the product-related environmental protection**

The supplier is obliged to guarantee the following points:

Compliance with the restrictions on use of ingredients in materials pursuant to the Global Automotive Declarable Substance list GADSL (link: [www.gadsl.org](http://www.gadsl.org)) and/or VDA 232-101.

Material identification pursuant to VDA 260 and/or the directive 2003/138/EC of 27<sup>th</sup> February 2003 (link: [http://eur-lex.europa.eu/smartapi/cgi/sga\\_doc?smartapi!celexplus!prod!CELEXnumdoc&numdoc=32002D0138&lg=de](http://eur-lex.europa.eu/smartapi/cgi/sga_doc?smartapi!celexplus!prod!CELEXnumdoc&numdoc=32002D0138&lg=de))

Unrequested preparation of an IMDS material data sheet pursuant to the current IMDS submission recommendations in the context of the PPF / PPAP process (link: [www.mdsystem.com](http://www.mdsystem.com)) as well as the updating pursuant to IMDS recommendation 22 with changes to products.

Fulfilment of the requirements pursuant to the EC directive 1907/2006 of 18.12.2006 (REACH) and ensuring that all of the materials of the products which are supplied are registered for the intended application pursuant to REACH. (Info: <http://www.reach-helpdesk.de/>)

For the text of the directive see:

[http://eur-lex.europa.eu/smartapi/cgi/sga\\_doc?smartapi!celexplus!prod!DocNumber&lg=de&type\\_doc=Regulation&an\\_doc=2006&nu\\_doc=1907](http://eur-lex.europa.eu/smartapi/cgi/sga_doc?smartapi!celexplus!prod!DocNumber&lg=de&type_doc=Regulation&an_doc=2006&nu_doc=1907)

Fulfilment of the requirements of the German packaging regulations (VerpackV) and the EU directive 94/62/EG of 20<sup>th</sup> December 1994 concerning packaging and packaging waste (link: <http://europa.eu/scadplus/leg/de/lvbl21207.htm>)

Transport and production processes are to be optimised in terms of sustainability.

## **E Further applicable documents**

### **E.1 Further applicable KÜSTER documents**

These documents and additional documents applicable to KÜSTER are available on request and or are provided on the KÜSTER homepage at [www.kuester.net](http://www.kuester.net)

### **E.2 Further applicable sector documents**

Publications can be acquired from the Automotive Industry Action Group (AIAG) or through the German Automobile Association (VDA).

## F Acronyms

<b>8D</b>	8 Disciplines - report / problem solving process	<b>OEM</b>	Original Equipment Manufacturer
<b>AIAG</b>	Automotive Industry Action Group	<b>PPAP</b>	Product Part Approval Process
<b>APQP</b>	Advanced Product Quality Planning and Control Plan	<b>PPF</b>	Production process and Product Approval (VDA vol. 2)
<b>DOE</b>	Design of Experiments	<b>PSW</b>	Part Submission Warrant
<b>ECR</b>	Engineering Change Request	<b>SPC</b>	Statistical Process Control
<b>EMPB</b>	Initial Sample Test Report	<b>VDA</b>	Verband der Automobilindustrie ( <i>German Automobile Industry Association</i> )
<b>FMEA</b>	Potential Failure Mode and Effects Analysis		
<b>FMVSS</b>	Federal Motor Vehicle Safety Standards and Regulations		
<b>IMDS</b>	Automotive Industry Material Data System		
<b>ISO</b>	International Organization for Standardisation		
<b>ISO/TS</b>	ISO / Technical Specification		
<b>MSA</b>	Measurement System Analysis		
<b>NHTSA</b>	National Highway Traffic Safety Administration		

## G Record of revisions and clearances

Version no.	Date (DD.MM.YYYY)	Changes
0	13.05.2009	Replaces all of the earlier requirements for quality and environmental management systems of suppliers that were previously issued by KÜSTER.

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