Quality management agreement

QMA Industry Edition June 2026

between

ETM Dynamics GmbH
Friedrich-Schmidt-Straße 1
84478 Waldkraiburg

- hereinafter known as ETM or the Customer -

and

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- hereinafter known as the Supplier -

Preamble

The manufacture of high quality products is an essential need of modern industries. To assure quality there is a need to set out the legal relationships between the signatory parties.
This QMA shall apply in addition to the purchase order/delivery schedule but shall take precedence over the other agreements between ETM and the Supplier. The Supplier's general terms of business shall be inapplicable.

Section A:
The Supplier's quality management system

§ 1 Requirements

1. The Supplier has effectively introduced a QM system at its company so as to demonstrate its quality capability. The Suppliers quality management system at least complies with the requirements of the current version of standard DIN EN ISO 9001.
2. As evidence of this the Supplier shall submit the current certificate issued by an accredited certification company.
Exceptions: assignment of non-certified suppliers takes place on the basis of a team decision at ETM, whereby the supplier must be developed accordingly in order to obtain a certification within….. according to the standard DIN EN ISO 9001 (in the currently valid version).
3. As far as applicable here, the standard for obsolescence management DIN EN 62402:2008-01 is available and sufficiently known for suppliers and possible sub-suppliers of parts and materials which are installed in products of the customer Siemens – rail couplings.

§ 2 Documentation

1. The Supplier shall document its quality assurance work. The Supplier must keep all the quality-relevant records required to verify the agreed quality, for a period of at least 15 years after the delivery of its products and make them available at any time at the request of the Customer.
2. Components which must be archived: are products for which there may be an increased risk of bodily injury and/or property damage in the event that they are defective. These products and their features are clearly marked in the Customer's technical documents.
3. On request or during audits the Supplier shall allow the Customer to examine all the quality records relating to the product and shall provide the Customer with copies or extracts from the documents.
This shall not include documents which the Supplier has a justified claim to keeping confidential, such as *expertise* where the Supplier has necessarily accepted an undertaking to third parties to keep such documents confidential.

§ 3 Risk assessment

1. The Supplier must establish a procedure with which it can estimate the risk posed by defects which affect its products. Any identified risks or defects shall be reported to the Customer without delay.
2. After giving advance notice, the Customer shall be entitled to visit the Supplier's business premises and conduct audits, on request also accompanied by the Customer's customers.
The Supplier must provide the resources required to conduct these audits. To this end the Supplier shall in particular permit the Customer to inspect its QMS, view the existing documentation and conduct its own quality tests.
3. The above provision also applies to the Supplier's sub-contractors. The Supplier should notify them of this promptly in writing and request their consent.

§ 4 QM methods

1. The Supplier uses acknowledged QM methods and procedures to control processes, ongoing in-process monitoring (SPC, dispatch inspections, etc.) as set out in the regulations. These are important instruments to detect errors at an early stage and to prevent errors.
Acknowledged statistical methods must be used where sensible for critical features and features which are important to function so as to obtain information about the capability of the process and about compliance with the specified quality requirements at an early stage. If the key figures are not satisfied, 100 % testing shall be required for features which are critical to function.

2. Any uncertainties or requests for changes shall be immediately clarified with the Customer in writing.

§ 5 Resources for Monitoring and Measurement

The Supplier must determine and provide the resources necessary for ensuring valid and reliable monitoring and measurement results which prove the conformity of products and services with the stipulated requirements. Suitability and maintenance shall be ensured. Appropriate, documented information shall be kept as proof of the suitability of the resources for monitoring and measurement.
At certain intervals or before use, the measuring equipment shall be calibrated/verified against standards which are based on international or national standards. The measuring equipment shall be labelled in order for its status to be determined and shall be protected against damages and changes in settings.

§ 6 Continuous improvement process (CIP)

1. The Supplier has introduced a structured process of continuous improvement at its company for all products, processes, procedures and services and verifiably uses it for the products to be supplied to the Customer and for its activities related to the business relationship.
2. The relevant CIP programmes and actions shall be provided by the Supplier at the request of the Customer without delay.

§ 7 Regulatory and statutory requirements – additional quality principles

1. In addition to the above-mentioned standards and generally applicable statutory regulations, standards and provisions, ETM order documents are in particular considered binding. Examples thereof are order drawings, including regulations specified therein such as DIN standards, ETM standards, technical delivery conditions, data sheets, etc.,

- agreed test instructions and inspection equipment,
- additional order information, e.g. packaging instructions,
- special legal provisions,
- special environmental protection and recycling regulations, and

any other quality-related agreements.

§ 8 Supply sources specified by the customer

If stipulated by the customer, certain products, materials or services must be procured from specified sources. In this case, the supplier must still fulfill all requirements of Section 8.4 ff of the DIN EN ISO 9001:2015 standard - respectively in the current version - when managing the supply sources specified by the customer.
Any exceptions must be set forth in special agreements or contracts.

Section B:
Pre-production

§ 1 Purchase order documents

1. The Supplier must check the contract documents supplied to it immediately after receipt to ensure that they are complete, completely clear, feasible and up to date.
2. The Supplier must notify the Customer without delay of any defects and risks identified during a review of the documents.

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Section C:
Production

§ 1 Dispatch and receiving inspection and testing

1. The Customer hereby transfers its receiving inspection and testing duties to the Supplier's dispatch inspection and testing department.
2. The Supplier shall exempt the Customer from any claims made by third parties caused by the omission or incorrect form of these inspection and testing duties.
3. The legal consequences of section 377 of the German Commercial Code (HGB) shall not apply in the relationship of the parties to each other for the obligations of the Supplier according to this stipulation.
4. The Supplier shall submit the above provisions to its liability insurer for insurance cover and in the event that no such cover can be obtained, must immediately notify the Customer of this in writing.

§ 2 Product and process approval

The Supplier must implement the predetermined measures at the appropriate stages in order to verify that the product and service requirements are fulfilled.
The approval of products and services may only be given to the Customer once the predetermined measures have been satisfactorily completed, unless otherwise authorized by a responsible authority and, if applicable, by the Customer.
The Supplier must keep documented information about the approval of products and services (see also DIN EN ISO 9001:2015; 8.6 in the currently valid version).
If necessary, ETM (the Customer) can make the ETM templates Q150-1, Q150-2, and Q150-3 available.

§ 3 Labelling, traceability

1. The Supplier must ensure the traceability of its products (at least per lot). It undertakes to maintain a system which ensures the traceability of its products from dispatch to the raw material.
2. Products must be labelled such that in the event that a fault occurs, it is possible to identify all the products which will be affected by such a fault.

§ 4 Early warning of faults

1. The Supplier shall notify the Customer without delay of all recognisable factors hindering the proper fulfilment of the contract, particularly of difficulties in acquiring precursor products, difficulties in meeting deadlines, shipping and delivery problems, recognisable quality problems regarding subcontractors, or an increased error quotient in the Supplier products.
2. In these cases and in the case of a complaint, the Supplier shall notify the Customer without delay of remedial action, investigate return shipments and provide the Customer with support in the form of trained personnel.

§ 5 Sub-contractors

1. The Supplier is fully responsible for assuring the quality of the raw material used for and the components outsourced for the Customer.
2. Receiving inspections and tests must be documented by test certificates.The content of these documents must be reviewed to ensure that it is correct
3. The Supplier shall ensure that its sub-contractors use suitable quality control measures and that the quality of the products to be supplied to the Customer meets the specified requirements.

4. The Customer shall be entitled to attend the technical and commercial negotiations between the Supplier and its sub-contractor and must be notified promptly of them. The Supplier shall also strive to achieve consent for this in its contractual agreements with its sub-contractors.

§ 6 China clause

1. The Supplier shall give preference to those sub-contractors which have adequate experience in the manufacture of the products. It shall label and provide notification about raw materials and semi-finished products from Asia as such.
2. The Supplier shall be liable for products supplied to the Supplier which give the impression that they meet the specifications (fakes), regardless of who is at fault. It shall adjust its receiving inspection and testing procedures to identify such products.

§ 7 Quality documents

Every supplied batch must be accompanied by an inspection certificate as agreed in the sampling.

§ 8 Special approvals

1. In the event of non-conforming goods, the Supplier may request that the Customer issues a special approval.
2. This request is to be made in writing and must at least contain the following information:
Customer product number with revision status, Supplier product number, product quantity, period affected, reason for request, action, deadlines and responsible person to rectify the defect.
3. Affected consignments must be clearly labelled.
4. The Supplier undertakes to label the products which are the subject of a special approval.
5. This special approval shall not release the Supplier from its liability for damage caused by these goods.

§ 9 Damaged part analysis

If requested by the Customer, the Supplier, in consultation with the Customer, shall conduct the damaged part analysis in accordance with the current VDA volume “Damaged part analysis field” at the time of contract conclusion. The assessment shall be carried out in accordance with the VDA “Damaged part analysis field” audit standard.

§ 10 Emergency plan

The Supplier undertakes to develop an emergency plan for the event of a business interruption, regardless of the reason, to ensure continuous supply to the Customer with the forecast production quantities, to the extent that this is economically and technically reasonable. This emergency plan is available at the Suppliers’s premises and can be viewed by the Customer.

Section D:
Cooperation

§ 1 Environmental protection – occupational health and safety

1. With the aim of using resources efficiently and the sustained protection of the environment, the Customer regards it as a duty to include its suppliers in its environmental policy objectives and to

motivate and promote them accordingly. In terms of product environmental compatibility and occupational health and safety, the Customer demands that its suppliers comply with and observe the statutory regulations, official guidelines and standards that are relevant to them.

2. The Customer's corporate policy must be observed when entering into an agreement to supply goods (e.g. Code of Conduct at www.etm-dynamics.com).
3. Emissions protection, the protection of water and soil, recycling and green-based management are a central concern for the companies. Manufacturing-based environmental protection avoids relocation effects by taking a holistic view of all environmental influences.
4. The Customer expects the Supplier to be responsible in how it treats common property and the employees to use a positive, proactive attitude to environmental topics.
5. The Supplier's strategies to improve environmental aspects should include the following areas:
- Manufacturing process
- Reduction of energy use
- Labelling and packaging
- Recycling and reuse
- Waste disposal

6. The Customer recommends that the Supplier obtains and maintains certification pursuant to the latest version of DIN EN ISO 14001, DIN EN ISO 50001 and DIN EN ISO 45001.

Section E:
Claims and Liability

§ 1 8D report

1. The Supplier undertakes to inspect products about which a complaint has been made on the basis of a fault-cause analysis.
2. The Supplier must summarise the results and planned corrective action including a schedule for its implementation in an 8D report without delay and forward it to the Customer. Evidence of the effective implementation of the corrective action must be supplied to the Customer and confirmed.
3. The Supplier is required to send an initial statement in writing to the Customer regarding the receipt of the complaint and containment (8D report processed up to 3D) and/or safety measures within 24 hours. The conclusion of the complaint (8D report completed and accepted by ETM) shall take place within 10 working days. If the deadline is exceeded, we reserve the right to charge an administrative fee of EUR 250.

§ 2 Damage calculation

1. The Customer may at its discretion charge the additional costs incurred and demand compensation or demand the following lump sums for dealing with the defect: Complaint EUR 250, sorting non-conforming products / rework EUR 45 per hour (all amounts are net).
2. The Supplier shall be at liberty to provide evidence that the costs were in fact less than this. The Customer shall be at liberty to provide evidence that the costs were in fact higher than this.

§ 3 Setting a deadline

1. The Customer shall be entitled to set the Supplier a reasonable deadline to respond to a complaint lodged by the Customer.
2. If no response is forthcoming within the set deadline, the Customer shall be entitled to demand a contract penalty of EUR 250 if the order value is in excess of EUR 1,000. The contract penalty shall be set off against any claim for compensation.
3. The Customer reserves the right to claim additional damages.

§ 4 Supply chains

The Supplier shall provide assurance that it shall provide compensation for damage caused by its products in the same way as to the Customer for other clients of the Customer and in the event that third parties suffer damages.

§ 5 Responsibility

The Supplier hereby provides the assurance that its products, consultancy services as well as all other services and works services are not defective. This shall in particular include compliance with the raw material specifications and drawings defined by the Customer.

§ 6 Advice

Any defective advice provided by the Supplier and any advice which should have been given but was not shall be regarded as a product defect.

§ 7 Product release

A product release shall not result in any loss of rights in the event of concealed defects.

§ 8 Indemnification, Hold Harmless

1. In the event that the Customer is sued for compensation, the Supplier undertakes to indemnify the Customer from and hold harmless against such claims if and in as far as the damage was caused by a defect in the products delivered by the Supplier.
2. In such cases the Supplier shall pay all costs and expenses, including the costs of any legal prosecution or product recall action.

§ 9 Insurance confirmation

1. The agreements in this QMA which extend the Supplier's liability on a contractual basis over statutory liability shall require the consent of the insurer in order to maintain insurance cover.
2. The Supplier undertakes to submit the agreements shown in Section C § 1 "Dispatch and receiving inspection and testing" and in Section E "Liability" of this QMA to its public liability insurer to this contract in order to obtain confirmation that its cover will not be adversely affected.
3. If these proposed terms are wholly or partly rejected by the insurer, the Supplier must notify the Customer of this situation without delay.

Section F:
Concluding provisions

§ 1 Contract term and termination

1. This QMA shall come into force when it has been signed and shall be concluded for an indefinite period of time. The contract may be terminated by giving notice of 6 months to the end of a month.
The QMA shall apply to all goods and services relating to contract goods which are ordered after this agreement comes into force.
2. If supply contracts, purchase orders or other contracts are in force beyond the date of the termination, the termination of the QMA shall not come into force until they have been completed in full and without defects.
3. The right to terminate the contract without notice for an important reason shall not be affected by this.
4. In the event that this QMA is correctly terminated with immediate effect, the parties shall be entitled to terminate existing supply contracts, purchase orders or other contracts at the same time.
5. All notice of termination must be given in writing.

§ 2 Jurisdiction and applicable law

1. The place of jurisdiction shall be the court with jurisdiction for the Customer's registered office or the place of jurisdiction of the Supplier at the Customer's discretion.
2. The place of fulfilment shall be the place to which the goods must be supplied as set out in the order.
3. The laws of the Federal Republic of Germany shall be exclusively applicable to the contract relationships with the Customer.
The applicability of the CISG, the UN Convention on Contracts for the International Sale of Goods ("Vienna Purchasing Rights") and the law of conflict shall be excluded.
4. If individual parts of this contract are invalid, this shall not affect the validity of the other provisions. The parties to the contract shall strive to replace the invalid provision with another provision which is as close as possible to the commercial and legal objective of the original formulation.
5. Changes or amendments to this agreement, including this clause requiring written form, must be made in writing. The signing of this agreement and any adjustment agreements fulfill the written form requirement if electronic signatures are made via an electronic signature service (e.g. DocuSign, Adobe Acrobat Sign).

§ 3 Precedence

This is a translated version from the original German version of the "ETM QMV Industrie Ausgabe Juni 2026". If there are any differences between the understanding of this agreement and the German original version the latter prevails and is controlling.

Signatures of the parties to the contract

ETM Dynamics GmbH	Supplier
Place, date	Place, date
Name	Name
Signature	Signature
Company stamp	Company stamp