**Part 4 Supplier Agreement**

Party A: xxxx company

Party B: software development company

**I. General**

In order to ensure that Party B provides high-quality products and services to Party A, and meets the quality requirements of Party A, and avoids losses due to product quality or service problems, the two parties provide quality requirements for Party B's supply. The parties reached a consensus and signed this agreement through friendly negotiation between the two parties. At the same time, when there is a quality problem with the software provided by the supplier, the supplier will perform quality assessment management to ensure that the company (hereinafter referred to as Party A) provides satisfactory products and services.

**Scope of application**

1. This agreement applies to the management of software and quality assessment and claims provided to Party A.

2. This agreement takes effect on the date of signing and stamping by the legal representatives or entrusted agents of both parties (Party B is the leader in charge of quality or sales and Party A is the supplier in charge of quality) (unless a new agreement is re-signed) ), Each party holds one copy, with the same effect.

Party B shall strictly carry out effective contract review in accordance with the specific requirements of this agreement. If there are any questions or ambiguities, please contact Party A in time to obtain written confirmation, and Party A will not recognize any oral agreement.

This agreement applies to the following products (software numbers):

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If it can't be clearly described here, you can add additional instructions.

**3. Acceptance requirements**

1. Party B delivers the software product before the specified date, and Party A performs system testing and verification upon receipt.

2. Party B shall formulate a software development plan according to the characteristics of the product, which shall be signed and confirmed by the relevant engineers of the technical department of Party A, and shall be implemented in accordance with it to ensure the availability of the software product and meet the quality requirements.

3. Before Party A receives the software from Party B, Party B submits a report in accordance with our company's "Supplier Project Development Management System", and Party A will confirm based on the samples and corresponding reports provided by Party B. Party B shall ensure that the quality of the batch products is consistent with the sample quality (Note: Product consistency: refers to the consistency between the batch of products in terms of appearance, performance and reliability based on the consistency of function, performance and safety, especially in non-quantifiable products. The measurement index should ensure the consistency of the product.) If necessary, the two parties can seal the sample. If a quality dispute occurs after the two parties seal the sample, the quality requirements of the sample shall prevail. On the basis of ensuring that all processes are controlled, it should be clear. Process, raw material requirements.

4. For each batch of products and raw materials delivered, Party B shall attach the factory's routine inspection report. Party A has the right to reject the report without the report. Party B shall also submit the original code, product-related performance test, and type test on a regular basis (every 12 months). And reliability tests.The test report recognizes that it must be carried out in a testing institution with national testing qualifications or designated by Party A. If it is not submitted on time, it will be assessed 10,000 yuan, and if it is deemed unqualified by Party A or the customer, each of the key items is evaluated 100 million yuan, 5000 yuan each for regular items.

5. Party A's acceptance is not exempt from Party B's inherent quality responsibility for providing receivable products, nor can it be ruled out that the subsequent failure of products and requirements may cause Party A to reject or hold Party B accountable.

6.Party A has the obligation to properly keep the products provided by Party B after the acceptance and acceptance, and use them correctly.

**Fourth, sample management**

Party B shall complete the sample production, small batch production and delivery according to the time node, quantity and quality requirements specified by Party A, otherwise, it shall bear any losses that may occur as a result.

**Five, change management**

1.When there are any changes in relevant standards, materials, etc., the two parties shall notify the other party in a timely manner in the form of controlled documents for confirmation.

2.When Party B makes major changes in the process of development, design, hardware equipment, production location, equipment or manufacturing (including the suspension of production of a provided product), it shall be implemented in accordance with our company's "Change Management System". All losses shall be borne by Party B.

**Six, non-conforming product handling**

Return

Party A receives the product according to the zero-function-loss criterion. When random inspection finds non-conforming products, fills in the "Return Function Form for Non-Conforming Functions". All the products in this batch are returned. Party B shall accept and bear the losses caused by this and include them into the monthly supplier. Quality performance statistics. Party B returns the product after receiving notification from Party A (48 hours for internal units and 72 hours for external units); if the product is not returned within the time limit, Party A will notify Party B in writing to process it within a time limit, and it has not been confirmed on time. It is deemed that Party B has waived its ownership and Party A shall dispose of it.

2. Concession acceptance

Concession acceptance of non-conforming products should be based on the principle of not affecting the safety and performance of the use, and operation. If production is urgently needed and does not violate the above principles, concession acceptance procedures can be handled. The concession receipt documents must be signed by the supplier (or the client) in writing. Review again (Note: The foreign supplier entrusts Party A's procurement department to handle the concession and acceptance procedures and must be authorized in writing). The specific claim plan is as follows: (1) When the first occurrence occurs, Party B shall bear 15% of the supply amount as quality compensation. For the second time in each year, the responsible supplier bears 25% of the amount of the supply as quality compensation. For the third or more or the deviation is particularly serious, the responsible supplier bears the amount of the supply in each batch. 50% is for quality compensation. The specific reduction percentage is indicated on the concession use list for non-conforming products according to the above provisions. (2) Party A shall bear all additional economic losses due to Party B's product concession acceptance.

3. Pick and use

If only a small number of non-conforming functions exist in Party B's batch of products and cannot be conceded to accept, Party A's quality supervisor will allow Party B to send someone to select and use, and after the selection, the product will be re-tested. "Return order", which is included in the ppm value statistics. If Party B's products are unqualified and need to be reworked and repaired at the production site, it must be approved by Party A's quality supervisor, otherwise Party A will be responsible for implementation, and Party A will charge a labor fee of 25 yuan per person per hour; If other losses are caused due to Party B's unqualified products being repaired and reworked, Party B shall pay compensation according to the price. The claim shall be directly deducted from Party B's payment.

4.Unqualified procurement parts are found during online production and finished product inspection. They are sorted by the inspectors after they are sorted. After being signed by the Minister of Quality, they are judged to be waste. The production department organizes the return to the warehouse, and the procurement department transmits the non-conforming information in a timely manner. To Party B, if Party B does not arrive for confirmation within three working days after receiving the information, it is deemed that Party B has given up ownership and Party A will dispose of it on its own.

5.If the products provided by Party B are found to have the following non-conformities, they shall be fined 500 to 5000 yuan in quality and compensate for the corresponding economic losses: (1) indirect failure of functions; (2) problems with additions, deletions, changes, and investigations of data. (3) users report bad reviews; (4) system problems continue; (5) users complain.

**Seven, quality claims and processing**

1. Relevant departments and duties of Party A's quality claim execution

-Quality Department: Responsible for communicating with suppliers, confirming software quality defects, collating and confirming the labor time loss in the quality department, and organizing and verifying related losses, confirming the amount and amount of claims, and issuing relevant documents to the financial department and the purchasing department.

-Procurement Department: Responsible for communicating with suppliers and handling claims procedures.

-Production Department: responsible for calculating labor time loss caused by supplier quality problems.

-Logistics Department: Responsible for collecting and keeping defective products of suppliers, and organizing returns.

-Finance Department: Responsible for deduction according to the quality claim documents of the purchase parts, and issue financial receipts or invoices according to the requirements of the supplier.

2. Definition

Material cost claim-In the production process of Party A, due to the quality problem of the purchased parts provided by the supplier, the product is returned and exchanged, and a claim for unqualified parts is required.

Concession claim-when the purchased parts provided by the supplier cannot meet the product quality requirements, but because there are no qualified products or the number of qualified products cannot meet Party A's production and other reasons, Party A needs to implement concession acceptance for this outsourced component. Claims to be made.

Labor claim-A claim for expenses incurred in the selection, handling, re-inspection, rework, rework, return or destruction of labor services such as software or hardware facilities provided by the supplier to Party A due to the supplier's reasons.

Additional Material Claims-Claims that need to be made for the loss of related environmental parts or materials due to the defect of the purchased parts provided by the supplier.

Outage claim-claim for loss caused by Party A's outage due to the quality of supplier parts or materials.

Supplementary claim-due to the quality of the supplier's products or services, the quality of the corresponding assembly of the Party A at the OEM or the end customer, the OEM therefore submits a quality claim to Party A, and Party A will make an additional claim to the supplier .

Reputation claim-when the software provided by the supplier fails to meet the product quality requirements, when the product is delivered to the customer, Party A's quality reputation in the OEM is damaged. (Note: A clear amount claim is made at the OEM. At this time, because it already contains a claim for Party A's reputation, Party A will take the supplementary claim as the basis and will not consider the credit claim from the supplier.)

Claim settlement

3.1 Incoming Inspection Quality Claims

Claim calculation formula: claim amount = material waste claim + labor service claim + concession claim (determine the claim item according to the actual situation)

Material waste claim = unit price of product purchase × 1.5 × number of defective products

Labor service claim: According to the actual working hours, the unit price is 25 yuan per labor hour

Concession claim = unit price of purchased parts × K% × total number of purchased parts. (K value: the first time in one year that concession received the purchased part, k = 15; concession received the second time for the purchased part, k = 20; the third time and (The above or the difference is particularly serious, k = 50.)

3.2 Purchasing parts quality claims in online production and finished product inspection

Claim calculation formula: claim amount = material waste claim + labor service claim + additional material claim + line suspension claim + concession claim

(Determine the claim item based on the actual situation)

Material waste claim = unit price of product purchase × 1.5 × number of defective products

Labor service claim: According to the actual working hours, the unit price is 25 yuan per labor hour

Additional materials claim = unit price of related environmental parts or materials × quantity of loss

Loss of line suspension claim: If Party A's production line is stopped due to Party B's purchase parts, the claim will be made at 20 yuan / minute for 4 hours and less, and the claim will be 50 yuan / minute for more than 4 hours.

4. Disputes and Arbitration

After receiving the "Software Claim Form" of Party A, if Party B has any objection, it shall submit a reconsideration request to the Quality Department within three working days. If there is no reconsideration request after more than five working days, it shall be deemed as the default. For the reconsideration request of Party B, the Quality Department Organize the technical department, procurement department, production department and other relevant departments and suppliers to conduct arbitration together, and give an arbitration conclusion within three working days.

5. Claim method

Party A's software quality claim is based on Party B's first compensation method, that is, after Party B confirms the number of related quality defects and the degree of damage, the Quality Department submits a quality claim document to the relevant department and Party B. After the appeal period expires, the Finance Department according to the claim document Compensation information is directly deducted from Party B's payment (Note: The claim amount does not include tax).

**Eight, quality assurance commitment**

1.Party B promises to pass the ISO9001: 2008 third-party quality system certification and gradually meet the requirements of passing ISO / TS16949: 2009 standards.

2. Party B is obliged to accept Party A's second party quality evaluation, quality confirmation, risk assessment, production part approval, on-site acceptance and other related activities in accordance with Party A's regulations, and actively support and cooperate; Party A's acceptance cannot be waived Party B's responsibility.

3.Party B's quality commitment: The product quality guarantee period is the same as the entire vehicle's quality guarantee period. Party B promises to recover all problematic parts due to hardware or software quality problems under the national legal framework (such as the national automobile recall system), and undertake This results in all economic and reputational losses for Party A, the relevant OEM, and the end customer.

4. Party B shall provide Party A's related technical support and services in a timely manner and provide training if necessary.

**Nine, daily management**

1.Quality problem handling: Party B should respond within 8 hours, complete the temporary countermeasures within 24 hours, and reach the a stage of the pdca of the permanent countermeasures within two weeks.

Liability for breach of contract

2.1 In one of the following situations, early warning management methods are implemented: warning (Party A conducts batch review, reduction, adjustment of the supply ratio in the contract, or suspension of supply processing), serious warning (stopping or canceling supply) qualifications).

2.2 One of the following situations is handled as a warning:

a.Party B appears during the production process and the user's use process: a non-main item quality problem, inadequate service, the first time the quality problem is not rectified, or the quality requirements are not met after the quality improvement.

b.The software is serious and the function is serious.

2.3 One of the following situations shall be dealt with as a serious warning:

a. In software development, repeated requirements are not met.

b. Frequent errors occur during the production process and the user's use.

c. Party B's cumulative assessment items are negative items.

d. The OEM requires a veto, or there are quality problems above v2.

e. Refusing to execute the relevant documents or failing to meet the requirements after more than 2 rectifications.

f. There are 1 or more serious non-conformities in Party B's quality evaluation.

g. Those who cause fatal failure due to Party B's product quality problems and cannot be resolved in a timely manner, causing significant losses to the economy and reputation: ① those that cause direct economic losses of 30,000 yuan or more; ② those exposed by the company and other units

3. Performance evaluation

Party A ranks the supplier's quality performance evaluation monthly, and organizes a quality improvement promotion meeting based on the supplier's quality performance to assist in solving or improving the supplier's product quality.

4. Performance evaluation

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| project | Examination content | Assessment criteria |
| Acceptance rate (ppm) | Less than 100% of the indicators for the month | 1000 yuan |
| 100% ~ 200% over the indicator for the month | 2000 dollars |
| Over 200% of indicators in the month | 3000 yuan |
| Quality issues | One batch quality problem | 1000 yuan |
| Repeat the same quality issues during the quarter | 2000 dollars |
| Repeated more than three batch quality problems or two major quality problems during the year | 5000 yuan |
| Attitude / communication | Party B's service is not timely or refuses service | 500-5000 yuan, and bear the loss at the same time |
| Party B's service causes the OEM to evaluate Party A's quality | 500-1000 yuan, and bear the loss at the same time |
| Quality information, feedback not required, every occurrence | 200 yuan |
| Quality improvement measures were not completed on schedule, each time | 200 yuan |
| Quality information improvement measures need to be followed up repeatedly, and the assessment will be doubled each time | 500-1000 yuan |
| Supplied product with false self-inspection report | 200 ~ 500 yuan |
| Failure to submit functional and performance test reports on time | 500 yuan, 50 yuan deducted daily |
| Do not participate in quality improvement meeting | 500 yuan |
| Uncooperative and poor attitude | 200-500 yuan |

4.1 If the product quality problem still fails to meet the requirements after the third rectification, it will be assessed at 4 times the assessment amount of the relevant provisions.At the same time, Party A's quality department will propose to cancel Party B's supply qualification.

4.2 After receiving the notice of assessment, Party B will sign the contract within three working days.If there is any objection to the relevant assessment matters, the written appeal materials will be submitted to the quality department of Party A within three working days after receiving the assessment form. The signing of the assessment form will be considered as the default, and an additional attitude / communication assessment of 500-1000 yuan will be added.

5. Party B's daily quality information receiver, contact phone number, and email address

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**X. Other requirements of this agreement**

1.The validity period of this agreement is one year from the date of signing. If the two parties fail to sign a new agreement, this agreement will be automatically extended.

2. Party A may add or modify the contents of this agreement at any time in consultation with Party B according to the requirements of quality improvement. The changes are attached to this agreement.

3.The outstanding matters shall be settled by both parties through negotiation.

**Signature bar**

**person A person B:**

**(Seal) (seal)**

**Authorized Agent (Signed): Authorized Agent (Signed):**

**Phone: Phone:**

**Fax: Fax:**

**Date: YYYY Date: YYYY**