



PORSCHE

## Dr. Ing. h.c. F. Porsche Aktiengesellschaft General Terms and Conditions of Purchase for Goods, Work and Labour and/or Other Services Status 01/2019

### 1. Standard conditions

- 1.1 The legal relationship between the Supplier and Dr. Ing. h.c. F. Porsche Aktiengesellschaft (hereinafter "Purchaser") shall be in accordance with these General Terms and Conditions and any other written agreements, including amendments and additions. As well as the written form, the text form and transactions by means of an electronic system provided by the Purchaser shall suffice. Supplier's General Terms and Conditions shall not apply, even if they have not been expressly rejected in specific cases.
- 1.2 The contract shall be based in the following order of precedence on the contract concluded with the Supplier, the particular orders/call-offs including the respective reference documents and these General Terms and Conditions.
- 1.3 Contracts (order and acceptance) and call-offs as well as amendments and additions thereto must be concluded in writing.

### 2. Ordering, Change Request

- 2.1 If the Supplier does not accept the order within five working days of its receipt, the Purchaser shall be entitled to revoke the order. Call-offs become binding if the Supplier does not object within five working days of receiving the order.
- 2.2 The Purchaser shall be entitled to request changes to the contractual services to a reasonable extent. The Purchaser must come to an agreement with the Supplier in this regard. The Supplier shall advise the effects of changes to contractual services on the remuneration and timeframe without delay. If there is any question of a change in remuneration or completion date, this must be jointly recorded in writing. Otherwise, remuneration and timescale shall remain unchanged.

### 3. Invoicing and payment

- 3.1 As a basic principle, the Purchaser will settle invoices using the invoicing procedure. Invoices must be submitted by the Supplier exclusively in electronic form as follows:
  - a) Direct submission of invoice via EDI in valid VDA format,
  - b) Free-of-charge entry of invoice via the group business platform [www.vwgroupsupply.com](http://www.vwgroupsupply.com) => Login => Information => Tools => Financial application (FIN),
  - c) Submission of invoice via a provider specified by the Purchaser.If electronic invoicing is agreed by the contracting parties, the Supplier has to ensure that the original invoices are already created electronically.  
Information on electronic invoicing and the current EDI guidelines can be obtained under [edi-rechnungswesen@porsche.de](mailto:edi-rechnungswesen@porsche.de) and under [www.vwgroupsupply.com](http://www.vwgroupsupply.com).
- 3.2 In justified exceptional cases and by agreement with the Purchaser's creditor accounts department the Supplier shall submit its invoices in paper form to the following address:  
Dr. Ing. h.c. F. Porsche AG, Kreditorenbuchhaltung, Porscheplatz 1, 70435 Stuttgart, Germany.
- 3.3 Invoices must be submitted in a form suitable for checking stating the Porsche Supplier Number, order number, delivery note number, Porsche material number, place of unloading and name of contact in the Purchaser's organization. All necessary invoicing documents must be attached. Invoices must be produced in accordance with German sales tax law. Accounting vouchers in the form of credit notes, debit notes and payment advice notes will be made available to the Supplier electronically via EDI or email or as a download under [www.vwgroupsupply.com](http://www.vwgroupsupply.com) => Login => Information => Tools => Financial application (FIN). In exceptional cases, they will be sent by post or fax.
- 3.4 When invoicing is carried out on a time and material basis, the invoices to be submitted in accordance with the contract/call-off, or otherwise monthly in arrears, shall mandatorily include particulars of the number of employees that have carried out the invoiced services, the number of days worked by these employees, the daily rate for the employees whose services are the subject of the invoice, the originals of all signed timesheets which are to be produced, and a description of the expenses invoiced. Expenses shall only be reimbursed to the extent agreed in the contract/call-off and, if an all-inclusive rate has not been agreed, only against proof of expenditure.
- 3.5 Payment will be made within 30 days strictly net unless otherwise expressly agreed. This period shall commence on the day on which the invoice is received but not, however, before the agreed delivery date and not before the actual shipment of the goods or the provision of the service and, if appropriate, acceptance.
- 3.6 Payment shall be made by bank transfer.
- 3.7 If deliveries or services are faulty, the Purchaser shall be entitled to withhold payment pro rata by value until orderly completion.
- 3.8 Unless prior written approval is granted by the Purchaser, the Supplier shall not be entitled to assign its claims against the Purchaser or to arrange for such claims to be collected by third parties. If, contrary to Clause 1, the Supplier cedes its claim against the Purchaser to a third party without the Purchaser's consent, the cession shall nevertheless be valid. The Purchaser may, however, make payment to the Supplier or the third party at its own discretion with the effect of discharging its obligations.

### 4. Provision of services, Obligation to inspect and inform, Subcontractors

- 4.1 The Supplier is obliged to provide the contractual services such that they have the characteristics described in the contract or call-off, including reference documents, and are not subject to defects which nullify or reduce the value or suitability for normal use or the use intended under the contract/call-off. The contractual services shall be provided based on the current state of the art in terms of science and technology, and with due observation of the degree of diligence usual in the industry, but at least with the diligence of a prudent businessman. The relevant statutory and official regulations must be observed. The status at the time of carrying out the respective services shall be definitive. The results of the contractual services must comply worldwide,

especially in Europe (geographically), the United States (including California), Canada, Australia, New Zealand, Japan, India, South Africa, Saudi Arabia and Arab Gulf States, China, South Korea, Hong-Kong, Taiwan, Brazil and Russia with all approval regulations, the applicable safety requirements, and all rules pertaining to testing, the environment (including vehicle emissions and certification requirements as well as information reporting obligations), and identification/labeling.

The Supplier agrees to promptly notify the Purchaser, the California Air Resources Board („CARB“) and the Attorney General of the State of California (the „California Attorney General“) when the Supplier providing, or performing work related to, engine control unit hardware or software has reason to believe that a Defeat Device, as defined in 40 C.F.R. § 86.1803-01 and 42 U.S.C. § 7522(a)(3)(B), has been included in, designed for or requested for a vehicle.

If the subject matter of this contract includes creating or modifying engine control unit software and that is anticipated to be the subject of any filing with CARB, the Supplier agrees to (a) disclose, in the documentation for the software, for; and to (b) maintain a change log of, any feature, that is known or reasonably should be known to detect emissions testing or function as an AECD (Auxiliary Emission Control Device), as defined in 40 C.F.R. § 86.1803-01.

The Supplier shall be obliged to make available to the Purchaser the material composition and formula of the delivery item in full along the structure of the smallest product at an early stage before the start of the inspection process for initial sampling, but at the latest at the request of the Purchaser. Until the end of the delivery relationship, the Supplier is obliged to inform the Purchaser immediately of any changes to the material composition and formula. Depending on the delivery item, the material must be provided in K-CMS (for operating materials, productive and non-productive process materials), IMDS (for parts, operating materials and productive process materials) and CDX (for parts and devices falling under RoHS or WEEE) in the format specified therein. At the request of the Purchaser, the Supplier undertakes to provide a "Letter of Conformity" for the delivery item. The Supplier shall immediately inform the Purchaser of any information and notifications he has made to courts, authorities or other official bodies regarding the material composition and formula of the delivery item. Unless there is an obligation to disclose the material composition/formula to courts, authorities or other official bodies, Supplier and Purchaser shall treat the information confidentially. Upon request, the Supplier shall provide the Purchaser with the results of a random sample of the material composition and formulation carried out by an independent testing laboratory for validation of the data supplied. Furthermore, the Supplier shall support the Purchaser upon request in random sampling tests carried out by the Purchaser himself.

- 4.2 The Supplier shall provide the services at the place defined in the contract or call-off, including reference documents, or in a separate written agreement.
- 4.3 Partial performance shall require the prior written agreement of the Purchaser.
- 4.4 If the Supplier has concerns regarding the intended manner of execution or the materials, studies, preparatory work or documents provided by the Purchaser, these must be advised in writing to the Purchaser without undue delay. The same shall apply if the Supplier is aware or ought to be aware that other information or requirements of the Purchaser are in error, incomplete, not clear or not suitable for execution.
- 4.5 If, while the services are being provided, changes or improvements are seen to be expedient or necessary, the Supplier must immediately inform the Purchaser of this in writing and obtain a decision regarding a possible change to the services.
- 4.6 With justified cause (e.g. in case of non-compliance with agreements, milestones etc. by the Supplier), the Purchaser shall be entitled to check the provision of services by the Supplier during normal business hours and inspect the materials, documents and results which are directly or indirectly associated with the services.
- 4.7 The Supplier is not authorized to have the contractual services, or parts thereof, provided by subcontractors. Exceptions shall require the prior written agreement of the Purchaser.
- 4.8 In all cases, when using subcontractors, the Supplier must observe the relevant laws and regulations, in particular the employment and social security laws. It shall indemnify the Purchaser from all claims by third parties in connection with the use of subcontractors. The Supplier shall be liable for the actions and omissions of the subcontractors as well as for its own actions and omissions.

### 5. Deployment of staff, Minimum wage

- 5.1 The Supplier shall only employ staff who are qualified technically and on a personal level for carrying out the services and tasks specified in the contract/call-off. The Supplier shall identify to the Purchaser a contact responsible for the contract/call-off, with whom necessary coordinations relating to the subject matter of the contract/call-off are to be made.
- 5.2 The Supplier is obliged to identify staff who are to be in direct contact with the Purchaser (contact persons/representatives) to the Purchaser in writing in advance.  
The Supplier is required to screen all persons that are deployed on the Purchaser's factory premises to perform owed service before the start of contractual performance. Therefore, the last name, first name, date and place of birth are to be verified against sanctions lists pursuant to Council Regulations (EEC) No. 2580/2001, No. 881/2002 and No. 753/2011 as well as any amendment which has been or will be issued by the European Commission. The check has to be repeated periodically, but at a minimum once per year. The Purchaser has the right to request proof from the Supplier that the appropriate verifications have been performed.
- 5.3 Changes to the Supplier's staff in accordance with Clause 5.2 must be notified to the Purchaser in writing in advance. Clause 5.1 applies in a similar way to the replacement of Supplier's staff. The Supplier shall be responsible for the consequences of changes in its staff in this respect, in particular all costs for replacing staff and the familiarization of replacement staff.
- 5.4 The contractual services shall be provided under the responsible management of the Supplier. The Supplier shall retain sole technical, personal and disciplinary authority for the staff employed by

- the Supplier within the framework of the subject matter of the contract/call-off.
- 5.5 If foreign staff are employed, the Supplier shall undertake to ensure that they have a valid residence title which entitles them to engage in gainful employment. A valid work permit in accordance with the currently applicable regulations must be presented to the Purchaser on request.
- 5.6 The Supplier shall undertake to pay its employees at least the statutorily prescribed or contractually agreed minimum wage.
- 5.7 Further, the Supplier shall undertake only to employ such subcontractors that likewise contractually undertake to pay at least the statutorily prescribed or contractually agreed minimum wage to their employees.
- 5.8 The Supplier shall place the subcontractors instructed by it under obligation in accordance with Clause 5.7.
- 5.9 In the event of an infringement of the provisions of the Minimum Wage Act (MiLoG), the Supplier shall undertake to comprehensively indemnify and hold harmless the Purchaser from and against any and all obligations associated with such an infringement and also to compensate the Purchaser for any damages resulting from a culpable infringement.
- 5.10 The same obligation shall apply to the Supplier if a subcontractor instructed by him should infringe the provisions of the Minimum Wage Act (MiLoG).
- 5.11 If a claim should be made against the Purchaser by an employee of the Supplier for payment of the statutory minimum wage, the Supplier shall undertake to provide to the Purchaser all information necessary for the defence against the claim and any action for payment. This shall also apply following termination of the contractual relationship between the Purchaser and the Supplier.
- 5.12 The Supplier shall guarantee to place subcontractors instructed by it under obligation in accordance with Clause 5.11 and to pass the necessary information to the Purchaser without delay if an employee of the subcontractor lodges claims against the Purchaser.

## 6. Dates and deadlines, Penalties

- 6.1 The timescales and effective dates (hereinafter "Milestones") for services and deliveries are defined in the contract/call-off, including reference documents, or in a separate written agreement, and are binding. As soon as one of the contracting parties notices that the agreed Milestones cannot be maintained, it shall inform the other contracting party immediately and provide reasons for the delay. The contracting parties shall jointly discuss the effects of exceeding the schedule and possible remedies. Unless otherwise agreed, the statutory regulations for default shall apply in the event of changes to the time schedule initiated by the Supplier.
- 6.2 The statutory provisions relating to delay shall also apply.
- 6.3 If a penalty for delays which are the responsibility of the Supplier has been agreed in the contracts/call-offs, the Purchaser reserves the right to lodge a claim for damages. The right to demand payment of an agreed penalty shall not be forfeited by the fact that the penalty was not expressly reserved when accepting the delayed delivery. However, the reservation must be declared by the Purchaser at the latest on payment for the delayed service. A paid penalty is to be deducted from claims for damages for delay, if the penalty and the damages are based on the same delay.

## 7. Force majeure

Force majeure, labour disputes, civil disturbances, action by official bodies and other unforeseeable, unavoidable and serious occurrences shall release the contracting parties for the duration of the problem and, to the extent affected by such occurrences, from their duties to perform. The contracting parties shall, wherever reasonably possible, be required to immediately provide the required information and adjust their obligations to suit the changed conditions in good faith.

## 8. Delivery

Unless otherwise agreed in writing, delivery shall be made in accordance with DAP (Incoterms 2010) to the Purchaser's registered office or a place of delivery specified in the contract or call-off including reference documents.

## 9. Quality and documentation

- 9.1 On delivery, the Supplier shall cede to the Purchaser written particulars of the characteristics and the composition of the delivery items where these are required for complying with the requirements of the authorities at home and abroad. The Supplier shall reach an agreement with the Purchaser regarding the necessity thereof.
- 9.2 If the Purchaser requests initial samples, the Supplier may only commence production of the delivery items on receipt of written approval by the Purchaser.

## 10. Acceptance

- 10.1 Where services which are subject to formal acceptance are involved, the Supplier shall notify the Purchaser in writing that its services are complete, hand over the contractual services or make them available for acceptance and arrange an appointment with the Purchaser. If partial acceptances have been agreed, these shall take place under the reservation of final acceptance. If partial acceptances have taken place, the Supplier shall notify the Purchaser in writing that the services are finally complete and request final formal acceptance.
- 10.2 Formal acceptance shall take place within four weeks of receipt of notification of completion to the Purchaser and handover/availability of the contractual services if no appointment for formal acceptance has been arranged. If verification of the Supplier's services necessitates commissioning or putting to use for test purposes, formal acceptance shall not be deemed granted until the tests have been successfully completed. Formal acceptance shall be carried out in writing, usually in the form of a report.
- 10.3 Payment by the Purchaser shall not mean that the contractual services have been formally accepted or that formal acceptance has been waived.
- 10.4 The above provisions shall apply accordingly for staged acceptances.

## 11. Notification of defects

The Purchaser must notify the Supplier in writing within 14 days of receipt of delivery of any defects in the delivery of goods where these involve clearly recognizable defects and transport damage or identity and quantity deviations. In the case of all other defects of goods, notification of the defects shall be deemed to be timely if this takes place within 14 days of discovering the

defect.

## 12. Warranty and limitation period

- 12.1 Claims arising from warranty for defects shall be statute-barred 36 months after transfer of risk or acceptance unless a longer limitation period is provided by law.
- 12.2 In case of defects, the Purchaser shall have the option of requesting that the defect be rectified or the goods or services be replaced or remanufactured. If rectification of the defect is unacceptable to the Supplier, it must supply a defect-free replacement or manufacture a new item. The costs of rectification, including any installation and dismantling costs, shall be borne by the Supplier.
- 12.3 If the Supplier refuses to carry out the rectification, if the rectification is unsuccessful, if the Purchaser does not find it reasonable or if the Supplier does not meet the Purchaser's requirement to carry out the rectification within a reasonable time in the individual case, the Purchaser shall be entitled to make further claims based on defects according to statutory regulations and, in the case of work and labour services, including the right to remedy the defects itself.
- 12.4 Notification of a defect to the Supplier shall suspend the limitation period. If the Supplier is notified of a defect within the limitation period, the Supplier shall forego any defence under the statute of limitations.
- 12.5 The statutory provisions shall also apply.

## 13. Supplier's liability

The Supplier's liability for damages and product liability shall be based on the statutory provisions.

## 14. Rights to services and/or work and labour services

- 14.1 As a basic principle, all results which are produced in conjunction with the contract (including test and development reports, suggestions, ideas, drafts, designs, proposals, samples, models, drawings, CAD data records and other documents) shall be assigned to the Purchaser. The Purchaser shall be granted free of charge, exclusive, irrevocable, transferable, sub-licensable usage rights, which are unlimited in time, location and content, to all contractual services including the developed software. If the Supplier involves subcontractors, it shall ensure by means of appropriate contractual agreements that the subcontractors also provide the Purchaser with the said results and usage rights. Use of the contractual services by the Supplier or third parties requires the prior written agreement of the Purchaser.
- 14.2 The companies of the Volkswagen Group as defined by § 15 of the German Stock Corporation Act (AktG) and the holding companies FAW Automotive Co Ltd, Changchun, People's Republic of China, Shanghai Volkswagen Automotive Co Ltd, Shanghai, China, MAN AG, Munich shall also be entitled to the above rights.
- 14.3 If innovations should be produced in conjunction with the provision of the contractual services (these include, in particular, inventions, suggestions for technical improvement, know-how, and also other individual intellectual and creative services), the Supplier is obliged to notify the Purchaser of this and to provide all documentation necessary for evaluating the innovations. Only the Purchaser shall be entitled to submit applications for proprietary rights. The Supplier shall claim innovations of this kind in relation to its staff without restriction in a timely manner, and support the Purchaser in obtaining proprietary rights, in particular issuing the necessary declarations therefor. If the Purchaser should decline in writing to apply vis-à-vis the Supplier, the Supplier shall then be entitled to apply for appropriate proprietary rights at its own expense. The Purchaser shall be entitled to non-exclusive, free-of-charge and transferable usage rights which are unlimited in time, location and content, to the proprietary rights subsequently granted to the Supplier. The Purchaser and the Supplier shall only bear the commission for employee's inventions for their own employees in each case.
- 14.4 If, on conclusion of the contract, the Supplier's existing proprietary rights are required for the production or use of the contractual services, the Purchaser shall irrevocably be granted non-exclusive, free-of-charge, transferable and sub-licensable usage rights which are unlimited in time and location thereto, for the use of the contractual services by the Purchaser or authorised third parties. Before commencing work, the Supplier shall advise which of its proprietary rights may be important for the contractual services.
- 14.5 The Purchaser shall irrevocably be granted exclusive, free-of-charge and transferable usage rights for all known and unknown types of use to results of the service which are subject to copyright. The Supplier's right of disposal to the models, methods, components, etc., incorporated or developed shall remain unaffected. The usage rights also include the right to commercial exploitation, publication and reproduction as well as the right of dissemination to third parties for possible follow-up contracts.

## 15. Third-party proprietary rights, Defects of title

- 15.1 The Supplier shall guarantee that the deliveries and services provided by it do not infringe any third-party proprietary rights when used in accordance with the contract. It shall indemnify the Purchaser from claims by third parties unless the conflicting proprietary rights were unknown to the Supplier and the Supplier could not be expected to be aware of them even when applying the diligence of a prudent businessman. Further claims by the Purchaser are reserved.
- 15.2 No claim in accordance with Clause 15.1 shall exist if the Supplier provides the goods and services in accordance with drawings, models or other information handed over by the Purchaser and it is not aware and cannot be expected to be aware that third-party proprietary rights are affected thereby.
- 15.3 In addition, the Purchaser shall be entitled to the statutory claims on account of defective title, wherein the limitation period shall be 36 months from the transfer of risk unless a longer limitation period is provided by law.

## 16. Free and Open Source Software

- 16.1 The Supplier shall not use any "free and open source software," i.e. software that can usually be obtained free of charge and open source (hereinafter referred to as "FOSS"), in deliveries and services for the Purchaser, even if the FOSS's terms of use explicitly permit use of the FOSS.
- 16.2 The Supplier can apply to the Purchaser to use FOSS on a case-by-case basis by
- Sending the complete and correct information on the specific FOSS, including, for example, its precise name and version, all associated terms of licensing and use, the source from which the FOSS is obtained, and copyright notices and author attributions
  - Specifying the reasons for using the FOSS
  - Confirming that a compatibility check on several different FOSS components/licences has been carried out successfully.

- 16.3 The FOSS which the Supplier has applied to use may only be used if the Purchaser has given its prior written approval.
- 16.4 In case of doubt, the approval shall be effective only for the specific work status of the Supplier's scope of services/deliveries and must be applied for again before new work statuses, versions, updates, upgrades or other deliveries and services are provided.
- 16.5 In using FOSS, the Supplier shall provide deliveries and services such that the contractual service to be provided to the Purchaser or software and systems at the Purchaser are not impaired, in particular by the "copyleft effect" or the "viral effect." FOSS shall also only be used if there is no conflict with the digital signature or the authenticated vehicle programming method of the Purchaser and authentication information, cryptographic keys or other information relating to the software used in the vehicle remain unaffected and in particular do not have to be disclosed to third parties.
- 16.6 If subcontractors are used to fulfil the agreement, they must be obligated to comply with this Section 16.
- 16.7 If the Supplier violates one of the obligations specified in this Section 16 or infringes provisions of the terms of licensing or use of the FOSS used, it shall indemnify the Purchaser and its affiliated companies against claims, damage, losses or costs caused by such violations/infringements and defend them against claims by third parties at the request of the Purchaser. A violation of this Section 16 shall constitute a breach of a cardinal contractual obligation.
- 16.8 The provisions in this Section 16 shall apply accordingly to the use of "open content," i.e. content such as databases, fonts, media and photographs that is usually free of charge, but can be obtained subject to compliance with specific licensing terms.

#### 17. Free-issue items

The Purchaser retains the right to ownership of items free-issued by it. Processing or alteration shall be carried out by the Supplier for the Purchaser. If the free-issue items are processed or mixed with other items which do not belong to the Purchaser, the Purchaser shall acquire joint ownership of the new item in the ratio of the value of the items he has provided to the other processed or mixed objects at the time of processing. If mixing takes place in such a manner that the Supplier's item is seen as the principal item, the Supplier herewith transfers to the Purchaser proportional joint ownership of the principal item. The Purchaser herewith accepts the transfer. The Supplier shall hold the sole or joint ownership free of charge for the Purchaser.

#### 18. Retention of title

The Supplier reserves the right to the ownership of all goods supplied by it until the delivery concerned has been paid for in full. Other forms of retention of title shall not be recognized by the Purchaser.

#### 19. Termination and end of contract

- 19.1 If the Supplier is providing a work and labour service, the Purchaser may terminate the entire contract or parts thereof at any time or, in the case of continuous service, only by giving reasonable notice. If the Supplier is not responsible for the termination, its entitlement to remuneration shall be based on the statutory provisions with the provision that the assumption according to § 648 sent. 3 of the German Civil Code (BGB) is limited to 2.5% unless the Supplier provides evidence of a higher amount. If termination occurs for good reason without notice, the Supplier shall only be entitled to remuneration for the services which have been completed and demonstrated up to the time of termination if the use of these services is acceptable to the Purchaser and the services are usable. Otherwise, there shall be no entitlement to remuneration.
- 19.2 If the Supplier is providing a service, the Purchaser may terminate the contract or parts thereof at any time. If the termination is based on an action by the Supplier which contravenes the contract and which is the responsibility of the Supplier, or if the Supplier itself terminates the contract without being prompted to do so by an action by the Purchaser which contravenes the contract, only those services which have been provided up to then in accordance with the contract and which have been completed and demonstrated shall be remunerated as long as these can be used by the Purchaser. The Purchaser's right to claim for damages remains unaffected. If the reasons for the termination are not the responsibility of the Supplier, the Purchaser shall reimburse the expenses which can be shown to have been incurred and which result directly from the contract, including the costs arising from commitments which cannot accordingly be resolved. The Supplier shall not be entitled to further claims for performance or for damages in the event of termination.
- 19.3 The rights to the results achieved up to the point of termination shall transfer to the Purchaser in accordance with Clause 14.
- 19.4 On completion of the service agreed in the purchase order or following a termination, without prompting, the Supplier must hand over all results of the services as well as the documents including parts, samples and digital data media loaned to it by the Purchaser. A right of retention to these documents shall only apply on account of undisputed or legally binding claims arising from the same legal relationship.
- 19.5 Any notice of termination must be given in writing.

#### 20. Confidentiality, Information security

- 20.1 The Supplier shall treat all commercial and technical details which are not common knowledge and to which it becomes party in the context of the business relationship as trade secrets.
- 20.2 Drawings, models, templates, samples and other similar items which are the property of the Purchaser may neither be supplied nor in any other way made accessible to unauthorized third parties. Such items may only be reproduced where such reproduction is essential to meet operational requirements and if permitted by the applicable copyright provisions.
- 20.3 Subcontractors shall be placed under a corresponding obligation.
- 20.4 The Supplier may only refer to the business relationship in advertising with the prior written consent of the Purchaser.
- 20.5 The Supplier undertakes to take the current state-of-the-art measures to protect with immediate effect all of the Purchaser's information and data against unauthorised access, manipulation, destruction or loss, prohibited transmission or any other prohibited processing or other misuse. The full range of current recognized state-of-the-art precautions and measures must be taken to back up Purchaser data and to ensure that data stocks are at all times archived and can be restored in compliance with the law and at no risk of loss. On request of the Purchaser, the Supplier is obliged to have a TISAX assessment ([www.tisax.de](http://www.tisax.de)) carried out with the TISAX assessment scope specified by the Purchaser. Also, the Supplier should make the result available to the Purchaser within a reasonable period of time.

#### 21. Data Protection, Attribution of data

- 21.1 In case the Supplier has access to personal data while performing the contract, the Supplier shall observe all applicable laws and regulations on data protection and privacy. In particular, the Supplier shall only process personal data as required by the contractual obligations (specification of purpose), shall make sure that the Supplier's employees only have access to personal data to the extent strictly required, and shall commit the Supplier's employees to data secrecy in writing as well as instruct the Supplier's employees on applicable laws and regulations on data protection and privacy and submit proof to the Purchaser upon request. In case of commissioned data processing by the Supplier on the Purchaser's behalf, the parties shall – before the Supplier receives access to the personal data from the Purchaser – execute the required data protection agreement that the Purchaser provides in the respective context (particularly an agreement on commissioned data processing). The Supplier warrants that the processing of personal data that are allocated to the Purchaser or the Purchaser's customers is only conducted in the territory of the Federal Republic of Germany, a Member State of the European Union or a Member State of the Agreement on the European Economic Area. Derogations from this provision shall be agreed upon by the Purchaser and the Supplier in writing.
- 21.2 The Supplier acknowledges that all data created at the Purchaser, the Supplier, the end customer or another third party from or in connection with use of the subject matter of the agreement shall be attributed to the Purchaser, if the end customer or another third party is not entitled to it under prevailing law. The Supplier shall not claim ownership of or any other rights to this data and shall not use the data in particular for big data purposes, such as for collecting data, creating databases or conducting data analyses. The right of the Supplier to use the data for fulfilling this agreement, where it is required for that purpose, shall remain unaffected.

#### 22. Compliance and sustainability

- 22.1 The Supplier shall take all necessary and appropriate measures to combat corruption and avoid any other violation of the law, in particular violations of the provisions against antitrust law, competition law, environmental protection law, customs law, foreign trade law and of employees' rights. The Supplier shall take the appropriate organizational (including, but not limited to, appropriate legal or contractual) measures to prevent his legal representatives, employees, subcontractors, consultants or other third parties acting on his behalf from becoming liable to prosecution for committing or failing to act in light of, for example, bribery, corruptibility, granting of undue benefits, acceptance of undue benefits, money laundering, fraud or embezzlement.
- 22.2 In the event of an infringement of these obligations relating to the performance of this contract, or if sufficient reason exists to suspect such an infringement in relation to this contract, the Supplier must inform the Purchaser without undue delay and inform him which measures he is taking to remedy such infringement and prevent future violations. If the Supplier fails to inform the Purchaser without undue delay or to take appropriate remedial measures within 60 days of learning of the situation, the Purchaser shall be entitled to terminate the relevant contract without notice or to end the entire business relationship immediately. The Supplier shall indemnify, defend, and hold the Purchaser, its directors, officers, agents and employees harmless from any and all claims, causes of action, losses, damages, liabilities, costs and expenses, including attorneys' fees, to the extent arising from any breach of the obligations under this section; provided, however, that Supplier shall not be obligated to indemnify, defend, or hold harmless the Purchaser to the extent arising from negligent or intentionally wrongful acts of the Purchaser or anyone for whom the Purchaser is responsible.
- 22.3 The "Requirements of the Volkswagen Group regarding sustainability in its relationships with business partners (Code of Conduct for Business Partners)" available at [www.vwgroupsupply.com](http://www.vwgroupsupply.com) also apply.
- 22.4 If the Purchaser or the public authorities require access to the production process and/or the service provision process and to the Supplier's documents and processes related to an order for the purpose of verifying certain requirements, the Supplier shall undertake to allow such a verification and/or audit in its domain and to provide all reasonable support.

#### 23. General provisions

- 23.1 If one of the contracting parties suspends payments or if application is made to instigate insolvency proceedings against its assets or for out-of-court settlement proceedings, the other contracting party will be entitled to revoke the portion of the contract not yet executed. This shall also apply accordingly if the economic position of a contracting party deteriorates in such a way as to seriously affect fulfilment of the contract.
- 23.2 If one of the provisions of these terms and of additional agreements are or become ineffective, this shall not affect the validity of the remaining provisions. The contracting parties are obliged to negotiate in good faith a rule which replaces the ineffective provision.
- 23.3 The law of the Federal Republic of Germany shall apply exclusively. The application of the terms of UN Trade Law (United Nations Convention on Contracts for the International Sale of Goods) of April 11, 1980 shall be excluded.
- 23.4 The place of performance is the Purchaser's registered office. Alternative provisions may be agreed for the delivery itself.
- 23.5 The exclusive court of jurisdiction shall be the Purchaser's registered office; however, the Purchaser retains the option of lodging claims with the court at the location of the Supplier's registered office.
- 23.6 These General Terms and Conditions are produced in German and English. In the event of contradictions and discrepancies between the German and the English version the German version shall prevail.