

**General Purchasing Terms and Conditions of VW AG/General Procurement for Translation Services (current as of 1 May 2018)**

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# **General Purchasing Terms and Conditions of VW AG/General Procurement for Translation Services (current as of 1 May 2018)**

## **1. Scope of application**

These terms and conditions apply to the provision of translation services on time and in line with requirements.

## **2. Application of contractual terms/elements of the contract**

### **2.1**

These terms supplement the VW AG/Procurement Division General Terms and Conditions for Purchasing.

### **2.2**

If applicable and not otherwise agreed, the elements of the contract are in the following order:

#### **2.2.1**

- the order letter from VW

#### **2.2.2**

- the minutes of negotiations in their chronological order

#### **2.2.3**

- these Terms and Conditions of Purchasing

#### **2.2.4**

- the General Purchasing Terms and Conditions of VW AG/General Procurement

#### **2.2.5**

- the Production Equipment Specification 1.01

#### **2.2.6**

- the service request or the service description (in particular but not limited to the specifications) from VW.

## **3. Individual jobs**

Individual jobs are assigned either via the GOCAT system or by email.

### **3.1**

VW gives the contract partner a job via the GOCAT system. The contract partner is notified of the order by means of an automatic email.

The contract partner can see the new order in GOCAT under "My Tasks". The contract partner confirms acceptance of the job with the corresponding GOCAT function.

If the contract partner cannot accept the job it undertakes to decline it within three hours using the corresponding GOCAT function. It must also notify VW by email, whereupon VW will remove the job from GOCAT.

### **3.2**

Job orders outside the system are placed when VW sends an FM (Fremdsprachenmanagement – Language Services) job by email. In this case the contract partner must confirm acceptance of the job by email within 3 hours. The contract partner is obliged to sign the FM job and return it by email to VW within 24 hours.

### **3.3**

VW reserves the right to cancel an order/job. VW will notify the contract partner accordingly in writing.

## **4. Performance of the translation service**

### **4.1**

The contract partner is obliged to perform the translation service in line with the requirements and procedures of VW, in particular those described in clause 2.2.6, and in the correct style, true to the original and without errors.

### **4.2**

The contract partner is to perform the translation service in full within the agreed period or by the agreed time. If no period or delivery deadline has been agreed and none is apparent from the parties' other agreements, the contract partner is to perform the translation service in full within a reasonable period.

### **4.3**

The contract partner's translation service will be accepted if it meets the requirements of clauses 4.1 and 4.2.

If VW does not confirm its acceptance or rejection, giving its reasons, within four weeks, the project is deemed to have been accepted. This does not affect any warranty claims.

VW notifies the contract partner if the delivery is incomplete or defective. If no corrections are not possible due to deadlines, clause 8 applies.

### **4.4**

Without the separate written approval of VW the contract partner may not forward to third parties documents provided for whatever reason by VW.

The contract partner ensures by means of suitable agreements with its staff that they also comply with the aforementioned obligation.

As evidence of the services it has performed, to enable work under the warranty and any contractually agreed maintenance, the contract partner is entitled to retain one or more copies of the information provided for the duration of the contract.

Once the contract comes to an end, the contract partner is further obliged to destroy all the information effectively and demonstrably and to confirm its destruction to VW in writing on request.

## **5. Copyright**

The contract partner irrevocably grants VW the exclusive right to use the translations to the full extent as determined by the purpose of the translation.

If translations are carried out using translation memories, these translation memories become the property of VW. The contract partner is obliged to take possession of the translation memories on behalf of VW without delay.

VW has the unlimited right to change or supplement the translation or to use excerpts from the translation.

VW is further entitled to transfer, grant or license its full right of use to third parties, with or without charge.

The contract partner waives its right to be mentioned by name.

Once the agreed fee has been paid for all types of use, VW and its affiliates within the meaning of Sections 15 et seq. Stock Corporation Act (AktG) hold the rights to use the products of this agreement, including beyond the duration of this agreement. In its offer the contract partner is to confirm that the rights are transferred to VW and its affiliates within the meaning of Sections 15 et seq. AktG when VW accepts delivery.

If the contract partner uses subcontractors it is to include the above obligations in its agreements with the subcontractors, so that VW has the same rights to use the translations and translation memories as if the contract partner had completed the translation itself.

## **6. Fees and prices**

### **6.1**

Contract partner provides VW and its affiliates within the meaning of Sections 15 et seq. AktG with its translation services on the most favourable terms it offers to the VW Group and its affiliated companies worldwide and with the same quality.

### **6.2**

The contract partner's fee is determined by reference to the separate fee agreement.

### **6.3**

A fee is only payable for services charged in euros at unit prices (per word or per hour), depending on the order. The unit prices agreed in the order settle without exception all the expenses incurred in connection with providing the services.

### **6.4**

Any additional cost services that occur during the term of the contract must be agreed by the parties in writing before they are carried out.

### **6.5**

If the services provided are billed by time units, written verifiable evidence must be provided to VW without delay.

## 7. Liability for defects

The contract partner is liable in accordance with the statutory provisions for any financial losses for which it is responsible. Claims for defects are subject to legal provisions; as a rule they expire after three years.

## 8. Defects

If the service provided contains defects and VW asks for it to be rectified, the contract partner is obliged to rectify the defects within 24 hours. Rectification includes the correction of errors identified in the current document and in other documents that the contract partner has worked on and the updating of relevant translation memories.

If the contract partner is not able to rectify the work within the above deadline or if the rectification within this deadline is not successful, VW can at its discretion:

- rectify the defects itself and demand reimbursement of its necessary expenses or
- reduce payment of the fee by a reasonable amount.

In individual cases VW reserves the right to ask the contract partner for a written statement, to escalate the matter by inviting it to a supplier meeting or to initiate an on-site quality audit.

## 9. Billing

Invoicing for fully completed translation services takes place electronically.

VW prefers monthly batch invoices with an overview of services appended.

Invoices are to be submitted with the following information:

- FM job number
- Supplier number
- Title of translation
- Translation service and price in accordance with the figures mentioned in the framework agreement with the contract partner
- Quantity, including product unit, unit price, match analysis
- Order date

- Delivery date

All documents sent by VW with the order are to be attached to the invoice if they are relevant to the billing process. The FM job is to be attached to the invoice as an annex.

## 10. Confidentiality

The contracting party is obliged to treat all industrial and trade secrets as confidential. Trade and business secrets include, in particular, all business and personal data, development, research and planning data, quotations, responses to quotations, documents from enquiries regarding forward/global sourcing processes, other enquiries and all associated processes, as well as confidential information received verbally or in writing, knowledge gained, results from work, expert opinions and materials, samples, drawings, computer simulations, data, files, information from the Volkswagen supply net and hardware and software provided or produced. This also includes vehicles, components and parts of vehicles not representing series production status, and all trials, trial instructions and planning together with their results, and information relating to employees of VW.

The term "confidential" applies to all information, knowledge or materials provided in the event of an order, or a cooperation with VW, or that are labelled or recognized as such, as well as those of which premature knowledge would be useful to a competitor, as well as all personal data pursuant to the EU General Data Protection Regulation in conjunction with the Federal Data Protection Law. This shall not apply insofar as the disclosing party explicitly waives the confidentiality requirement either in full or in part in writing.

The nondisclosure agreement shall not apply to information or confidential items which were evidently already known to the public at the time of their disclosure, i.e. had been published or were generally accessible or already known, or became known to the public through no fault of the contracting party, or were lawfully made public after their disclosure to the contracting party by a third party without limitations in regard to their nondisclosure or use, or

have to be made public due to a binding official or judicial order or mandatory legal provisions and VW was informed thereof in sufficient time in advance of the required disclosure in writing.

Industrial and trade secrets may only be recorded if required for the purpose of the contract. When keeping information confidential, the contracting party shall act with the due diligence and care of a prudent and conscientious businessman, but at the least with the same care it would apply when handling its own confidential information.

The contracting party shall use the information and documents that have been or will be made accessible to it in the context of its cooperation with VW only for the purpose of fulfilling its contractual obligations relating to this contract. The same applies to the results, data and knowledge gained in conjunction with this contract or the individual contracts.

VW has the right to publish the technical, commercial or organisational details of affiliated companies in the context of section 15 ff. of the German Stock Corporation Act (AktG), provided that these affiliated companies undertake to maintain the corresponding confidentiality.

The contracting party undertakes to immediately safeguard all information and data belonging to VW from access by unauthorised third parties in line with state-of-the-art technology as far as is possible and reasonable, safeguarding it in particular from theft, loss, manipulation, damage and reproduction. Should the contracting party have information indicating that unauthorised third parties have become privy to the information and data, it shall inform VW immediately and introduce all measures required in agreement with VW

to resolve the situation, and if appropriate to prevent future unauthorised access.

Should the contracting party save, process or handle the information and data in its data processing systems, it shall ensure that unauthorised third parties shall not have access to the data.

The contracting party undertakes to return all information, data, documents and storage media to VW on completion of the order. Furthermore, the contracting party shall remove all of the data and information from its data processing systems, and also either return all replicated data and storage media to VW or destroy that information in a way that prevents it from being reconstructed, whichever VW requests it to do. The contracting party shall present VW with written confirmation of the complete return or destruction of said data.

The contracting party undertakes to comply with all provisions relating to data protection regulations as amended, and shall observe these provisions. The contracting party shall inform its entire staff of the respective provisions of the data protection regulations and shall obligate its staff to observe data secrecy. The corresponding statements shall be presented to VW or its data protection officers on request.

Insofar as not otherwise prescribed by legal or official provisions, and insofar as not otherwise agreed, the confidentiality and nondisclosure agreement shall be valid in each case for five years from the date on which the contract between VW and the contracting party is signed.

## **11. Place of performance**

Place of performance and court of jurisdiction are Wolfsburg.