

# **General Terms and Conditions of Purchase, Siemens Mobility Kft.**

valid as from 1st July 2018

## **1. Application of these General Conditions of Purchase**

- (1) These General Conditions of Purchase (hereinafter: "these GCP") shall be applicable for the contractual relationship between Siemens Mobility Kft. as buyer (hereinafter: "the Buyer") and the Supplier on the purchase or supply of goods and on the provision of services.
- (2) These GCP shall constitute an inseparable part of the individual contracts concluded by and between the Buyer and the Supplier on the purchase or supply of goods, or on the provisions of services, respectively (hereinafter "the Contract"). Any provision deviating from these GCP shall be stated in the Individual Contracts.

## **2. Conclusion of the Contract**

- (1) The Contract will be concluded by and between the Supplier and the Buyer if the Supplier confirms the order of the Buyer with the same terms within two (2) weeks upon receipt thereof, or, if it is indicated in the order, by the deadline specified in the order, in a manner that such confirmation must be received by the Buyer within such deadline. In case the Parties conclude a Contract with the detailed terms of their legal relationship, the date of conclusion of such Contract will be the date when the Contract is signed by the Parties.
- (2) The General Business Terms and Conditions of the Supplier shall not apply to the Buyer. Acceptance or receipt of shipments or services or effecting payment shall not be deemed as acceptance of the General Business Terms and Conditions of the Supplier.

## **3. Delivery Date, Liquidated Damages**

- (1) Deliveries will be deemed as fulfilled in a timely manner in the event that the goods or services supplied have been accepted by the Buyer according to the terms and conditions contained in the relevant Contract at the place of performance and at the date or within the deadline specified therein.
- (2) The Supplier shall inform the Buyer of its foreseeable delay immediately, stating the expected duration of such delay, even if the performance deadline has not yet expired.
- (3) In case of delayed performance, the Supplier shall pay liquidated damages. Unless otherwise agreed, the amount of liquidated damages shall be 0.5% for each commenced day affected by such delay but not more than 10%. Liquidated damages shall be based on the total gross price of the order for indivisible services or supplies and on the gross price of the supplies or services for divisible services performed with a delay.
- (4) If the event that the Supplier's performance is delayed for more than 10 days, the Buyer shall have the right to rescind from the Contract. The Supplier shall compensate the Buyer for all its damages caused by the breach of Contract.

## **4. Transfer of Risk, Delivery**

- (1) The risk and the ownership title regarding the contracted goods or services shall be transferred from the Supplier to the Buyer upon acceptance by the Buyer of the conforming goods or services at the place of performance defined by the Buyer. In case of supplies to be commissioned, ownership title shall be transferred from the Supplier to the Buyer upon delivery at the place of performance specified by the Buyer, and the risk shall be transferred upon handover following the commissioning, respectively.
- (2) Unless otherwise agreed, the Supplier shall bear the costs of transport and packaging up to the place of destination. Additional costs arising out of non-compliance with the mode of transport shall be borne by the Supplier. For transports to a place of destination defined by

the Buyer, the Buyer shall have the right to determine the mode of transport. Additional costs arising out of non-compliance with the Buyer's instructions for transport shall be borne by the Supplier. Additional costs incurred in relation to expedited transports required to meet the delivery deadline shall be borne by the Supplier.

- (3) A packing list or delivery note, showing the contents of the shipment, shall be attached to every shipment. The packing list or delivery note shall also indicate the contract number and the order number (in the following format: „9500xxxxx”). Advice on (the dispatch of) shipment shall contain the same data.
- (4) If the transport is performed by a carrier commissioned by the Buyer the Supplier shall inform the carrier of the necessary details related to dangerous goods in accordance with the legal requirements.
- (5) If the Buyer informs the Supplier that another transport with a different mode of transport is scheduled following the initial transport, the Supplier shall also follow the relevant legal requirements concerning dangerous goods with regard to such on-going transport.
- (6) The payment of the price shall not constitute an acknowledgement that the paid deliveries or services were provided in accordance with the Contract.

## **5. Invoicing**

The original invoice and the documentary proof of acceptance by the Buyer (handover protocol, certificate of performance, etc.) shall be submitted directly to the invoicing address indicated in the purchase order or in the Contract. In order for the invoices to be paid, they shall indicate the order number, the contract number and the number of each position.

## **6. Payment**

- (1) Unless otherwise agreed, payment shall be effected subject to the following conditions: Due date for the payment of the gross total amount of the invoice shall be 60 calendar days from the date of issue.
- (2) The condition for the issuance of any invoice is that the deliveries or services have been fully performed, free from defects and deficiencies, that is according to the Contract. If, at the time of delivery, the Supplier is obliged to hand over other documents as well, such as protocol on performance, protocol on material inspection and measuring, quality certificate or other documents, the deliveries or services of services shall be considered as performed according to the Contract upon receipt of these documents by the Buyer. Protocol on performance shall at all times form an attachment to the invoice and without it no payment shall be effected by the Buyer. In case the Supplier charges any extra cost or performs in a defective or deficient way, the deadline for payment shall be determined on the basis of the date when the above-mentioned defects or deficiencies are eliminated, i.e. when the performance is flawless, and any price differences have been clarified.
- (3) The payment of the invoice shall not constitute acceptance of the supplies or services as a performance in accordance with the Contract.

## **7. Guarantee, Warranty**

- (1) Unless otherwise provided by law or by the Parties, the Supplier shall be under a guarantee obligation (in Hungarian: “jótállás”) of 1 year. The guarantee period shall commence upon acceptance by the Buyer of the conforming goods or services at the place of performance defined by the Buyer or, in case of supplies to be commissioned, upon handover following the commissioning.
- (2) Defects or deficiencies occurred during the guarantee period shall be remedied or supplies or services shall be repeatedly delivered without defects and deficiencies (replacement to be provided), by the Supplier at its own expense, subject to the choice of the Buyer. This shall also govern deliveries that have been subjected to random checks only.

- (3) In case the Supplier fails or does not undertake to remedy the defect or deficiency or perform the new delivery or new services within the period set by the Buyer, then the Buyer – at its own discretion – shall be entitled to:
  - request price reduction
  - perform the repair or perform new delivery or have it performed by a third party at the cost and risk of the Supplier
  - rescind from the Contract or the purchase order in question in whole or in part

The Buyer is entitled in any case to demand Supplier to compensate it for its damages.

- (4) The Buyer shall immediately upon receipt examine whether a delivery corresponds to the quantity and type of products ordered and whether there are any immediately recognizable external transportation damages or other deficiencies. Should the Buyer discover any deficiency in the course of these inspections, it shall inform the Supplier of such deficiency. Should the Buyer discover a deficiency at any later stage, it shall also notify the Supplier. Complaints related to the deficiencies can be submitted within 1 month after the delivery of the product or service, or, insofar as such deficiencies are not discovered during commissioning, processing or first use, within 1 month of the detection of such deficiencies. In this regard, the Buyer shall have no other duties to the Supplier other than the above-mentioned duties of inspection and notification.
- (5) Costs and risks of repairing or replacing a defective or deficient performance shall be borne by the Supplier.
- (6) Performance completed in the course of remedying defects and deficiencies shall be governed by the foregoing provisions as appropriate.
- (7) Warranty (in Hungarian: “szavatosság”) shall be governed by the relevant provisions of the Hungarian Civil Code (“the HCC”).

## **8. Transfer of Contractual Rights and Obligations to Third Persons**

Without the prior written consent of the Buyer, the Supplier shall not have the right to assign or transfer to third parties any of its claims, rights and obligations arising out of the Contract. In the event that the Supplier assigns or transfers its contractual claims or rights to third parties without the Buyer’s prior written consent, this is a willful and serious breach of contract by the Seller, and Buyer shall have the right to claim full compensation of its damages.

## **9. Provided Materials**

- (1) Any material provided to the Supplier shall remain property of the Buyer and the Supplier shall store such material separately, mark and handle them under its own responsibility, free of charge. Such materials may only be used subject to the prior consent of the Buyer, for the purposes of the order placed by the Buyer. The Supplier shall be obliged to indemnify the Buyer for any amortization, deficiency, destruction or loss of such material. The above provision shall also apply to the itemized handover of materials linked with the order.
- (2) The material shall be processed or transformed for the Buyer. Materials processed or transformed on the basis of the Buyer’s order shall be property of the Buyer. The Supplier shall safeguard the completed item free of charge.

## **10. Termination**

- (1) The Contract shall terminate in case of the Buyer’s rescission.
- (2) The Contract shall also terminate, if the Buyer terminates it by a 30 days written notice.
- (3) The Buyer may terminate the Contract with immediate effect or rescind from it in the case of a serious breach of contract by the Supplier.
- (4) The Buyer may rescind from the Contract at any time without cause. In this case, the Supplier shall be entitled to the price of delivered goods or performed services if the facilities

built, the goods delivered or the services provided by the Supplier are taken over by the Buyer, and any damages claims by the Supplier (including any type of damages claims {either consequential loss or damages to the subject matter of the services to be provided}, any claims for loss of profit, loss of income, loss of production, damages or liquidated damages payable to third parties, reimbursement, indemnification, etc.) are excluded.

## **11. Code of Conduct for Siemens Suppliers, Security in the Supply Chain**

- (1) The Supplier shall acknowledge that the Buyer has entered into the Contract with the Supplier solely on the condition that the Supplier undertakes the execution of the below provisions and confirms this by signing the Contract. The Supplier shall fully comply with the applicable Hungarian laws in the course of the performance of the Contract, shall not engage, actively or passively, directly or indirectly, in any form of bribery, shall not violate the fundamental rights of employees and shall not promote child labor. Moreover, the Supplier shall take responsibility for the occupational health and safety of its employees. The Supplier shall act in accordance with the applicable environmental laws and use its best efforts to ensure that the provisions of this Section are also followed by its suppliers and other contractual partners.
- (2) The Buyer may terminate, or rescind from, the Contract without incurring any further liabilities in case of breach of these obligations by the Supplier. However, if the Supplier's breach of contract is capable of remedy, the Buyer's right to terminate or rescind shall be subject to the condition that the negotiations of the Parties failed to bring any result within a reasonable grace period.
- (3) The Supplier shall provide and take the necessary organizational instructions and measures, in particular with regard to the security of the following: the security of premises, packaging and transport, business partners, personnel and information, in order to guarantee the security in the supply chain according to the requirements of respective internationally recognized initiatives based on the WCO SAFE Framework of Standards (e.g. AEO, CTPAT).
- (4) The Supplier shall protect the goods and services provided to the Buyer or to third parties designated by the Buyer against any unauthorized access and handling. The Supplier shall only deploy reliable personnel for such goods and services and shall cause any sub-suppliers to take equivalent security measures.

## **12. Tools, Moulds, Patterns, Confidentiality, etc.**

Without the prior written permission of the Buyer, the tools, moulds, patterns, models, profiles, drawings, standard sheets, printouts and face-moulds handed over by the Buyer, as well as the objects manufactured with these items shall not be assigned to third parties or used for other contractual purpose. The Supplier shall make sure that no unauthorized persons shall have access to or use these items. In the event the Supplier violates this obligation, the Buyer may claim that the items are released without any effect on its other rights.

Without the Buyer's prior written consent, the Supplier shall not make available to third parties any information, data or knowledge obtained from or relating to the Buyer.

## **13. Environment, Work and Health Safety, Dangerous Goods**

- (1) The Supplier shall conduct its activities in line with the quality, environmental and occupational health and safety management system of the Buyer.
- (2) The Supplier shall familiarize itself with the environmental effects and work safety risks of its own activity, and comply with the applicable laws, as effective from time to time, related to environment protection and the safeguarding of healthy and safe working conditions, in particular:
  - Act CLXXXV of 2012 on waste

- Act LIII of 1995 on the general rules of environmental protection
  - Act LIII of 1996 on nature conservation
  - Act XXV of 2000 on chemical safety
  - Act XCIII of 1993 on labor safety (“the LSA”)
  - and the relevant instructions and regulations on the implementation of the above laws.
- (3) If the product constituting the subject matter of the Contract classifies as an electric or electronic product, falling under Government Decree No. 197/2014 (VIII.1.) and/or Government Decree No. 374/2012 (XII.18.), the Supplier shall be responsible for ensuring that the product is in compliance with the provisions of these Decrees.
  - (4) The Supplier shall be liable for any and all environmental damages and waste materials produced in the course of its activities. The Supplier shall be responsible for the management (collection, registration, transportation) of waste materials in accordance with the applicable as effective from time to time.
  - (5) The Supplier shall comply with the environment protection, work safety and fire protection rules in the course of its activities. The Supplier shall ensure proper headcount with the required (professional, work and fire safety) qualifications and valid medical examination, proper personal safety devices required for working processes, and that it only uses work equipment complying with the work safety rules (Section 23(3) of the LSA) during execution works.
  - (6) The Supplier shall make sure that the information required for compliance with the above-mentioned requirements are provided to its employees.
  - (7) The Buyer shall be entitled to monitor the Supplier at any time whether the above-mentioned environmental, work safety and fire protection requirements are complied with. In case of any grave non-compliance (endangering people or the environment, work at height without protection, unsuitable craning, alcohol consumption) is observed, the Buyer may suspend the work activities until such deficiency / non-compliance is eliminated. Any disadvantages caused by the suspension of work activities (delays of performance) shall not be passed on to the Buyer.
  - (8) In case the delivery contains goods which – according to the international standards – classify as dangerous goods, the Supplier shall inform the Buyer thereof in a form agreed upon between the Supplier and the Buyer, but in any case not later than the date of order confirmation.
  - (9) Should the Supplier deliver products the components of which are included in the 'List of declarable substances ([www.BOMcheck.net/suppliers/restricted-anddeclarable-substances-list](http://www.BOMcheck.net/suppliers/restricted-anddeclarable-substances-list))' effective on the date when the order is placed, or which are subject to statutory substance restrictions and/or information-provision requirements (e. g. REACH, RoHS), the Supplier shall declare such substances in the online database of BOMcheck ([www.BOMcheck.net](http://www.BOMcheck.net)) not later than the date of first delivery of products. The foregoing shall only apply with respect to laws which are applicable at the registered seat of the Supplier or Siemens or at the designated place of delivery requested by Siemens.

#### **14. Reservation Clause**

The Buyer's obligation to perform the Contract shall be subject to the condition that the performance is not prevented by any impediments arising out of national or international foreign trade or customs requirements or any embargos (and/or other sanctions).

#### **15. Export Control and Foreign Trade Data Regulations**

The Supplier shall comply with all applicable export control, customs and foreign trade regulations (“Foreign Trade Regulations”) with respect to any and all products and services supplied hereunder. The Supplier shall advise the Buyer in writing within two weeks of receipt of the order – and in case of any changes without undue delay – of any information and data required for the Buyer to comply with all Foreign Trade Regulations in case of export and import as well as re-export, including without limitation:

- all applicable export list numbers, including the Export Control Classification Number (“ECCN”) according to the U.S. Commerce Control List; and
- the statistical commodity code according to the current commodity classification for foreign trade statistics and the HS (“Harmonized System”) coding; and
- the country of origin (non-preferential origin); and – upon request of the Buyer – the Supplier’s declaration of preferential origin (in case of European suppliers) or preferential certificates (in case of non-European suppliers).

The Supplier shall be liable for any expenses and/or damages incurred by the Buyer due to any breach of the obligations according to the above, unless the Supplier is not responsible for such breach.

## **16. Insolvency of the Supplier**

If the Supplier suspended its payments or insolvency or liquidation proceedings are commenced against the Supplier based on a legally final and binding court decision, the Buyer may terminate, or rescind from, the Contract and/or any purchase orders issued thereunder. In the event of termination or rescission, the Buyer may take over facilities built, and goods delivered by the Supplier, or continue to utilize services already performed by the Supplier in exchange for a reasonable payment.

## **17. Competent Court, Governing Law, Final Provisions**

- (1) Unless otherwise provided for in the Contract, any disputes arising out of the Contract or these GCP, forming an integral part thereof, shall be governed by Hungarian law, and Hungarian courts shall have exclusive jurisdiction to adjudicate such disputes. The application of the Vienna Convention on the Contracts for the International Sale of Goods is hereby excluded.
- (2) By concluding the Contract, the Parties acknowledge that their respective rights and obligations may not necessarily be proportionate. Following a thorough consideration, the Parties conclude the Contract with an explicit intention regarding the above, and they concurrently exclude the right to claim invalidity of the Contract based on gross disparity of the values exchanged.
- (3) By confirming the order and/or concluding the Contract, the Supplier expressly waives its potential right to bring any damages claims potentially arising against the management of the Buyer.
- (4) Any practices widely known and regularly applied within the given industry by parties to contracts of a similar nature shall form part of the agreement between the Supplier and the Buyer only if expressly so agreed in writing by the Supplier and the Buyer.
- (5) The Buyer's liability for any damages – save for damages to human life, body or health – shall be excluded, including any direct damages, consequential damages, damages to the subject matter of the service to be provided, indirect damages, loss of profit, loss of income, loss of interest, loss of data, loss of information, loss of business, damages or liquidated damages payable to third Parties, loss of production, interruptions of manufacturing, etc.
- (6) The provisions of the HCC shall be applicable to issues not regulated in these GCP.
- (7) By confirming the order and/or concluding the Contract, the Supplier represents that it is familiar with and accepts the Buyer's Code of Conduct, the applicable version of which, as amended from time to time, is available at: <http://www.siemens.com/procurement/cr/code-of-conduct>.