

## 1. Definition

- 1.1. "Buyer" means Siemens Limited, Vietnam ("Siemens"), who places the order by way of the Purchase Order and/or Contract.
- 1.2. "Supplier" means the person, firm or company, who receives the Purchase Order/Contract from Siemens and confirm to provide Products/Services as specified in the Purchase Order/Contract.
- 1.3. "Products" means the products, goods or items which are the subject of the Purchase Order/Contract and which may (without limitation) include Software.
- 1.4. "Services" means work and/or other services which are the subject of the Purchase Order/Contract and which may (without limitation) comprise, include or relate to Software.

## 2. Application

- 2.1. These Conditions, including its Annexes shall apply to and be incorporated into the Purchase Order/Contract signed between the Supplier and Siemens and form integral parts of the related Purchase Order/Contract.
- 2.2. In case of any discrepancy between the Purchase Order/Contract and these Conditions, the Purchase Order/Contract shall prevail.

## 3. Order and Confirmation of Order

- 3.1. Siemens may cancel the order if the Supplier has not confirmed acceptance of the order (confirmation) in writing within two weeks of receipt of the Purchase Order/Contract.
- 3.2. Any alterations, amendments or additions to the order shall only become a part of the Purchase Order/Contract if Siemens accepts such in writing. In particular, Siemens is bound by the General Terms and Conditions of the Supplier only to the extent that these are in accordance with Siemens' own General Terms and Conditions or if Siemens agrees to such in writing. The acceptance of deliveries or services as well as payments do not constitute such agreement.

## 4. Price and payment

- 4.1. All prices are fixed and include delivery and all other charges, including but without limitation to costs of transport, insurance and packing, taxes levies and fees attributed and/or attributable to the Supplier as the result of the supply of the Products and/or Services.
- 4.2. The Supplier warrants that the price charged for the Products or Services is the lowest price charged by the Supplier to buyers of a class similar to Siemens purchasing in quantities and under circumstances comparable to those specified in the Purchase Order/Contract. Any price reduction in the Products or Services the same as covered by the Purchase Order/Contract made by the Supplier after the placement of the Purchase Order/Contract and prior to Siemens's receipt of the Products or Services shall apply to the Purchase Order/Contract.
- 4.3. Unless otherwise specified in the Purchase Order/Contract, payment term shall be made within thirty (30) days after receipt of full Products and/or Services and VAT invoice.
- 4.4. If the Purchase Order/Contract is quoted in foreign currency equivalent by local supplier, payment will be made in VND with the inter-bank exchange rate of Siemens's bank on the date of payment against VAT invoice.
- 4.5. Siemens shall be entitled to set off or withhold any payment to a reasonable extent for reasons of deficiency. The period for payment shall commence after the complete rectification of any deficiency.
- 4.6. Siemens shall be entitled to set off against the price any sums owed to Siemens by the Supplier

## 5. Delivery

- 5.1. The Products and/or Services shall be completely and correctly delivered on the date (Delivery date) at the rates and places specified in the Purchase Order/Contract. All Products are delivered free of any third party rights. The Supplier is under a duty to verify title and inform Siemens of any possible conflicting industrial and intellectual property rights. Any breach of such duty is subject to the normal statutory limitation period.
- 5.2. The Supplier shall ensure that all Products shall be packed so as to reach places of delivery undamaged and in good condition.
- 5.3. If the Supplier fails to deliver the Products or Services in accordance with the Purchase Order/Contract by the Delivery Date, then the Supplier shall pay to Siemens penalty of 1% of the total Purchase Order/Contract value per day up to 100% of the total Purchase value (or to the fullest penalty and compensation provided by applicable

law), starting from the date of default until the actual delivery date of the delayed Products or Services portion. Siemens may, but shall not be bound to, deduct such penalty, whether in whole or in part, from any money due from Siemens to the Supplier under any Purchase Order/Contract.

## 5.4. If the Supplier:

- fails to deliver Products or Services in accordance with the their specifications stated in Purchase Order/Contract; or
- notifies Siemens of a prospective failure to deliver by the Delivery Date and still fails to deliver Products or Services after a reasonable period granted from Siemens

then, Siemens reserves the right to cancel the Purchase Order/Contract or any part of it without charge or liability and reserves all rights in damages and otherwise arising including but not limited to the right to purchase substitute Products or Services elsewhere and to hold the Supplier liable for any loss, expense or additional cost incurred thereby.

## 6. Transfer of Risk, Dispatch and Place of Performance

- 6.1. For deliveries involving installation, commissioning or services, the transfer of risk occurs on acceptance and for deliveries not involving installation or commissioning, the transfer of risk shall be upon receipt by Siemens at the designated place of receipt.
- 6.2. Unless otherwise specified in the Purchase Order/Contract, the costs of delivery and packaging shall be borne by the Supplier. For pricing ex works or ex warehouse of the Supplier, transport shall in each case be at the lowest possible cost, insofar as Siemens has not requested a particular method of delivery. Any supplementary costs arising from non-conformity with the transport requirements shall be borne by the Supplier. Where the price is quoted free to the recipient, Siemens may also determine the method of transportation. Any supplementary costs arising from the need to meet the delivery deadline by way of expedited delivery shall be borne by the Supplier.
- 6.3. Each delivery shall include a packing note or delivery note with details of the contents as well as the complete order number. Notice of dispatch shall be provided immediately with the same information.
- 6.4. If the transport is performed by a carrier commissioned by Siemens, the Supplier will inform the carrier of the necessary data concerning dangerous goods in accordance with legal requirements.
- 6.5. If Siemens informs the Supplier that following the initial transport another transport with a different mode of transport is scheduled, the Supplier will also follow the relevant legal requirements concerning dangerous goods with regard to such on-going transport.
- 6.6. The Supplier shall be liable for any expenses and/or damages incurred by Siemens due to any breach of the obligations under this Clause 6, unless Supplier is not responsible for such breach.

## 7. Warranty

- 7.1. The Supplier warrants that it has all necessary permits and licenses to allow it to sell the Products and/or Services to Siemens, and that it has complied with all relevant laws, rules and regulations affecting its obligations and the performance of the Purchase Order/Contract.
- 7.2. The Supplier warrants that all Products are new and do not contain any used or reconditioned parts or materials unless otherwise specified or approved by Siemens.
- 7.3. Unless otherwise specified in the Purchase Order/Contract or statutory provisions provide longer periods, the Products or Services under the Purchase Order/Contract are warranted for 12 months from Delivery date or 18 months from Products/Services Acceptance Date – the Warranty period.
- 7.4. In case of defects are identified before or during Warranty period, the Supplier shall, at its expenses and at the discretion of Siemens, replace, repair or remedy the Products or Services within the reasonable time set by Siemens. In addition, the expenses for transportation of the Products to the place of repair and from the place of repair to the place of residence or the office of Siemens shall also be at the Supplier. The Supplier shall bear the costs and risk related to the return of deficient Products.
- 7.5. Siemens shall be entitled to request the Supplier to compensate for damage caused by defects during Warranty period unless the damage was due to Siemens's fault.
- 7.6. Should the Supplier fail to rectify (i. e. repair or replacement) any deficiency within a reasonable time period set by Siemens or

immediately in order to avoid any liability of delay or for other reasons of urgency, Siemens is entitled to:

- cancel the contract in whole or in part without being subject to any liability for damages; or
- demand a reduction in price; or
- undertake itself any repair at the expense of the Supplier; or
- reperformance of services or replacement of deliveries or arrange for such to be done;

and

- claim damages caused by defects.

If there is an identified defect is repaired or replaced, the warranty period for the Products and/or Services shall be calculated from the date of acceptance of such repair or replacement by Siemens.

## **8. Indemnity**

8.1 The Supplier shall fully indemnify Siemens and its assigns, subcontractors and customers from and against any claims, liabilities, actions, damages, loss, cost and expenses (including but not limited to legal costs on an indemnity basis):

- sustained by Siemens and its assigns, subcontractors and customer or for which Siemens and its assigns, subcontractor and customers may be liable as a result of the Supplier's breach of or failure to perform its obligations under the Purchase Order/Contract; and
- resulting from death, injury, loss or damage to persons or property caused or contributed by the negligence, act, default or omission of the Supplier, its employees, sub-supplier (if permitted) or agent.

8.2 The Supplier accepts liability for all other claims, liabilities, actions, demand, loss, damage, cost s and expenses (including but not limited to legal costs on an indemnity basis) incurred by Siemens and its assigns, subcontractors and customers and which is attributable to negligence, act, default or omission on the part of the Supplier, its employees, subcontractors (if permitted) or agents or resulting from or in connection with the furnishing of the Products or Services by the Supplier or otherwise arises or results from a breach of the Purchase Order/Contract.

## **9. Termination**

9.1 Siemens shall be entitled to cancel the Purchase Order/Contract in respect of all or part only of the Products or Services by giving notice to the Supplier at any time prior to delivery, in which event Siemens shall pay a fair and reasonable sum for and accept delivery of all finished Products manufactured by the Supplier and Services properly rendered at the date of cancellation.

9.2 Siemens shall be entitled to terminate the Purchase Order/Contract forthwith without liability to the Supplier by giving notice to the Supplier at any time if:-

- (i) the Supplier is in breach of the Purchase Order/Contract and, in the case of a breach capable of remedy, fails to remedy the breach within 14 days of being notified of the breach in writing; or
- (ii) the Supplier becomes subject to any proceedings under any bankruptcy or insolvency law. In this case, the Supplier should immediately inform Siemens by written notice; or
- (iii) in case of Force Majeure as stated in Clause 10.

## **10. Force Majeure**

Should any circumstances arise beyond the Supplier's control preventing the Supplier from wholly or partly carrying out its obligations under this Purchase Order/Contract shall be referred to "Force Majeure" include, but shall not be limited to the followings:

- Acts of God, including storm, earthquake, flood or any other such operation of the forces of nature as his reasonable foresight & ability could not foresee or reasonable provide against.
- War (declared or undeclared), hostilities, invasion, act of any foreign enemy, threat of or preparation for war, riot, insurrection, civil commotion, rebellion, revolution, civil war, and labour troubles blockages, sabotage of labour.

In case of Force Majeure, both parties shall notify each other of the events of Force Majeure and possible consequence for performance of the Purchase Order/Contract. Siemens shall rend to the Supplier a reasonable period for execution of the Purchase Order/Contract. If beyond this period, the Supplier still fail to fulfill the Purchase Order/Contract, Siemens shall cancel one or whole part of the Purchase Order/Contract, subject to Clause 9.

## **11. Applicable Law**

The applicable law shall be the laws of the Socialist Republic of Vietnam prevailing at the time of signing of the Purchase Order/Contract.

## **12. Resolution of dispute**

12.1. Unless otherwise specified in the Purchase Order/Contract, any disputes or discrepancies in connection with the Purchase Order/Contract, which cannot be settled amicably, shall be referred to the competent Vietnamese Court for settlement.

12.2. All disputes shall be settled in accordance with the provisions of the Purchase Order/Contract, this General Conditions of Purchase of Goods and Services and any documents attached to, otherwise in accordance with the substantive law in force in Vietnam without reference to other laws.

12.3. The fees for settling disputes and/or other charges shall be borne by the losing party.

## **13. Subcontracting**

The Supplier has no right to subcontract this Purchase Order/Contract to any third party without prior written consent from Siemens. In such case, Siemens has the right to withhold or cancel one or full part of the Purchase Order/Contract, subject to Clause 9.2(i)

## **14. Confidentiality**

The Supplier shall treat as confidential all information supplied by Siemens, unless prior written consent to divulge the same has been obtained. This shall not apply to information that has rightfully become public knowledge and to the record of supply of Supplier, which serves Supplier to promote its sales activities.

## **15. Corporate Responsibility in the Supply Chain**

15.1 Supplier shall comply with the principles and requirements of the "Code of Conduct for Siemens' Suppliers" attached hereto as **Annex 1** (hereinafter the "Code of Conduct"). Furthermore Supplier shall use best efforts to forward the contents of the Code of Conduct to its suppliers and to convince them to meet the principles and requirements of this Code of Conduct.

15.2 Supplier shall provide Siemens upon request with a written self assessment as required by Siemens within – unless otherwise agreed – reasonable time from such request.

15.3 Supplier shall maintain complete and accurate records of and supporting documentation for Supplier's compliance with the Code of Conduct. Supplier agrees to provide such documentation and other information as reasonably requested by Siemens to verify Supplier's compliance with the Code of Conduct.

15.4 Supplier shall inform Siemens immediately in the event of its non-compliance with the Code of Conduct. Should either allegations of the Supplier's non-compliance with the Code of Conduct or other claims which threaten to endanger Siemens' reputation become public, e.g. by way of media coverage, Supplier shall provide a written statement, immediately upon Siemens' request, concerning Supplier's non-compliance or the allegations made.

15.5 Upon Siemens' request, Siemens and its authorized agents and representatives and/ or a third party appointed by Siemens shall be entitled to conduct unannounced inspections (audits) at Supplier's premises to review the compliance with the Code of Conduct. In addition to other action Siemens may deem reasonable, Siemens shall be entitled to access and review relevant records and documentation of Supplier and interview Supplier's employees with regard to Supplier's compliance with the Code of Conduct. Supplier shall reasonably assist and support Siemens' conduct of the audit. Siemens may exercise the rights under this paragraph during the term of this Agreement and for a period of three (3) years thereafter. If an audit reveals substantial non-compliance, Supplier shall – in addition to any other rights Siemens may have – bear all audit expenses.

15.6 In addition to other rights and remedies Siemens may have, and without liability to Supplier, Siemens may terminate this agreement and/or any Purchase Order/Contract issued thereunder by giving written notice to the Supplier with effect from the date specified in the termination notice in case of Supplier's

- (i) breach of its obligations set forth in the first paragraph of this Clause or
- (ii) refusal to conduct or unreasonably impeding to the conduct of a self assessment required by Siemens in accordance with the second paragraph of this Clause or
- (iii) unreasonably impeding Siemens' exercise of its right to audit as set out in the fifth paragraph of this Clause.

However, provided that Supplier's breach of Purchase Order/Contract as set out in the sixth paragraph (i) – (iii) of this Clause, is capable of remedy, Siemens' right to terminate as set out in the sixth paragraph of this Clause may only be exercised if such breach has not been remedied by the Supplier within a reasonable grace period set by Siemens.

#### **16. Retention clause**

Siemens shall not be obligated to fulfill this agreement if such fulfillment is prevented by any impediments arising out of national or international foreign trade or customs requirements or any embargoes or other sanctions.

#### **17. Export Control**

17.1 The Supplier shall comply with all applicable export control, customs and foreign trade regulations ("Foreign Trade Regulations"). The Supplier shall advise Siemens 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 by Siemens 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 according to the U.S. Commerce Control List (ECCN); 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 Customer- Supplier's declaration of preferential origin (in case of European suppliers) or preferential certificates (in case of non-European suppliers).

17.2 The Supplier shall be liable for any expenses and/or damages incurred by Siemens due to any breach of the obligations according to Clause 17.117.1 above unless Supplier is not responsible for such breach./.

#### **18. Environmental Protection, Duties to Declare**

Should supplier deliver products, which are subject to statutorily-imposed substance restrictions and/ or information requirements (e.g. REACH, RoHS), supplier shall declare such substances in the web database BOMcheck ([www.BOMcheck.net](http://www.BOMcheck.net)) or in a reasonable format provided by Siemens no 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 supplier or Siemens or at the designated place of delivery requested by Siemens.

Furthermore, supplier shall also declare all substances which are set out in the so-called "Siemens list of declarable Substances" applicable at the time of delivery in the manner described above.

## ANNEX 1 - CODE OF CONDUCT FOR SIEMENS' SUPPLIERS

This Code of Conduct defines the basic requirements placed on Siemens' suppliers of goods and services concerning their responsibilities towards their stakeholders and the environment. Siemens reserves the right to reasonably change the requirements of this Code of Conduct due to changes of the Siemens Compliance program. In such event Siemens expects the supplier to accept those reasonable changes.

The Supplier is obliged to comply with the laws of the applicable legal system(s). In particular, the Supplier declares herewith:

- **Legal compliance**
  - to comply with the laws of the applicable legal system(s).
- **Prohibition of corruption and bribery**
  - to tolerate no form of and not to engage in any form of corruption or bribery, including any payment or other form of benefit conferred on any government official for the purpose of influencing decision making in violation of law.
- **Respect for the basic human rights of employees**
  - to promote equal opportunities for and treatment of its employees irrespective of skin color, race, nationality, social background, disabilities, sexual orientation, political or religious conviction, sex or age;
  - to respect the personal dignity, privacy and rights of each individual;
  - to refuse to employ or make anyone work against his will;
  - to refuse to tolerate any unacceptable treatment of employees, such as mental cruelty, sexual harassment or discrimination;
  - to prohibit behavior including gestures, language and physical contact, that is sexual, coercive, threatening, abusive or exploitative;
  - to provide fair remuneration and to guarantee the applicable national statutory minimum wage;
  - to comply with the maximum number of working hours laid down in the applicable laws;
  - to recognize, as far as legally possible, the right of free association of employees and to neither favor nor discriminate against members of employee organizations or trade unions.
- **Prohibition of child labor**
  - to employ no workers under the age of 15 or, in those countries subject to the developing country exception of the ILO Convention 138, to employ no workers under the age of 14.
- **Health and Safety of employees**
  - to take responsibility for the health and safety of its employees;
  - to control hazards and take the best reasonably possible precautionary measures against accidents and occupational diseases;
  - to provide training and ensure that employees are educated in health and safety issues;
  - to set up or use an occupational health & safety management system according to OHSAS 18001 or equivalent.
- **Environmental protection**
  - to act in accordance with the applicable statutory and international standards regarding environmental protection;
  - to minimize environmental pollution and make continuous improvements in environmental protection;
  - to set up or use an environmental management system according to ISO 14001 or equivalent.

Should the Supplier deliver legally permissible products, which are, however, subject to statutorily-imposed substance restrictions and/ or information requirements (e.g. REACH, RoHS), the Supplier shall declare such substances in the web database BOMcheck ([www.BOMcheck.net](http://www.BOMcheck.net)) or in a reasonable format provided by Siemens no 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 Supplier or Siemens or at the designated place of delivery requested by Siemens.

Furthermore, Supplier shall also declare all substances which are set out in the so-called "Siemens list of declarable Substances" applicable at the time of delivery in the manner described above.

Should the delivery contain goods which – according to international regulations – are classified as dangerous goods, the Supplier will inform Siemens hereof in a form agreed upon between the Supplier and Siemens, but in no case later than the date of order confirmation.

- **Supply Chain**
  - to use best efforts to promote among its suppliers compliance with this Code of Conduct;
  - to comply with the principles of non discrimination with regard to supplier selection and treatment.

The Supplier shall provide the necessary organizational instructions and take measures, particularly with regard to the following security: premises security, packaging and transport, business partner, 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, C-TPAT). The Supplier shall protect the goods and services provided to the Customer or provided to third parties designated by Siemens against unauthorized access and manipulation. The Supplier shall only deploy reliable personnel for those goods and services and shall obligate any sub-suppliers to take equivalent security measures.

In addition to other rights and remedies Siemens may have, Siemens may terminate the Contract and/or any Purchase Order issued thereunder in case of breach of these obligations by the Supplier. However, provided that Supplier's breach is capable of remedy, Siemens's right to terminate is subject to the proviso that such breach has not been remedied by the Supplier within a reasonable grace period set by Siemens.

## ANNEX 2 - SPECIAL CONDITIONS FOR PURCHASE OF SOFTWARE

### 1. Software Licence

If the Products and/or Services include Software, the Supplier acknowledges that Siemens may be on-selling the same to its customers or end-users and warrant that it has good title to license the Software.

The Supplier permits Siemens to market and resell the Software and any accompanying hardware either alone or as part of a package.

The Supplier grants to Siemens a perpetual, worldwide, non-exclusive, no-charge, royalty-free, transferable, irrevocable licence:

- (i) to use and allow others to use the Software
- (ii) to sublicense the right of use under (i) above to any related corporations, other distributors and end-users.
- (iii) to grant a licence to related corporations, and other distributors to sublicense the right of use to end users in accordance with (i) above;
- (iv) to use the Software for integration or installation into other products and distribute worldwide and to copy the Software, or to allow affiliates or other distributors to use and copy the Software;
- (v) to distribute, sell, hire out, lease, make ready for download or make publicly available the Software, and to copy the Software to the extent required and permissible;
- (vi) to market and resell the Software and any accompanying hardware wither alone or as part of a package; and
- (vii) to reproduce and distribute copies of the Software in any medium, with or without modifications.

If the Products include documentation, the Supplier grants to Siemens a perpetual, worldwide, no-charge, royalty-free, irrevocable license to use, reproduce, distribute and prepare derivative works in Siemens's name all documentation furnished by the Supplier. Siemens may reproduce such documentation without the Supplier's logo or other identification of source, subject to affixing copyright notices to all copies of documentation and the Supplier hereby waives and shall cause to be waived all applicable rights with respect to such documentation. These rights with respect to the Software and documentation shall extend to:

- (i) third parties to use and reproduce the Products for Siemens's internal use; and
- (ii) third party channels of distribution.

The Supplier undertakes to supply Siemens with all updates of the Software and to allow Siemens to copy them to those of its customers who hold an original copy version.

The Supplier shall provide Siemens with such technical advice, assistance, data and documentation, including source code where necessary, to enable Siemens to maintain the Software if it so wishes.

### 2. Intellectual Property Rights

The Supplier warrants that the Products and the Software (if applicable) or the Services to not violate or infringe any patents, copyright, trademark, trade secrets, service marks, registered designs, design rights or other intangible property rights of third parties ("intellectual property rights")

The Supplier shall fully indemnify Siemens and its assigns, subcontractors and customers from and against any claims, liabilities, actions, demand, damages, loss, costs and expenses (including, without limitation, legal costs on an indemnity basis) in respect of any alleged or actual infringement by any of the Products or Services of any intellectual property right including but not limited to patents, copyright, trademarks, service marks, registered designs, design rights or other third party rights and the Supplier shall at its own costs and expenses defend or settle all such claims or actions or proceedings brought or threatened to be brought against Siemens.

Without prejudice to any of the foregoing, if any of the products and/or the Software or Services is held or claimed to be infringing third party intellectual property rights, the Supplier shall at its own cost and expense use its best efforts to procure the right for Siemens to continue using or receiving the infringing Product and/or Software or Services. If the Supplier is unable to do so, then the Supplier undertakes at its own costs and expenses to:

- (i) replace or modify the infringing Product and/or Software, or remedy the Services expeditiously so that it is no longer infringing; or
- (ii) if the Supplier is unable to replace or modify the infringing Product and/or Software or remedy the Services, refund in full all payments made by Siemens for the infringing Product and/or Software of the Services and reimburse Siemens upon demand for all additional loss, costs and expenses incurred by Siemens in purchasing any substitute Products and/or Software or Services.

Siemens shall own all intellectual property rights arising from modifications and customizations of the Products and/or Software, or the Services, made by Supplier for Siemens, or by Siemens itself. Siemens reserves all its rights in drawings and in goods produced according to its instructions as well as in any processes developed by it.

All intellectual property in the works carried out under the Purchase Order/Contract is hereby assigned and shall vest in Siemens absolutely. This includes any copyright or design rights which will vest in and become the property of Siemens as and when such rights come into existence.

### 3. The Supplier shall inform the Customer - at the latest at the time the order is confirmed - whether the products and services to be delivered contain "open source software"

In the context of this provision "Open Source Software" means any software that is provided royalty-free by the respective licensor to any user on the basis of a license or another agreement with the right to modify and/or to distribute such software. By means of example and without limitation, Open License Terms include the following licenses: the GNU General Public License (GPL), the GNU Lesser GPL (LGPL), the BSD License, the Apache License or the MIT License. Should the products and services delivered by the Supplier contain open source software, the Supplier must deliver to the Customer at the latest at the time the order is confirmed the following:

- The source code of the relevant open source software, insofar as the applicable open source conditions require the disclosure of this source code
- A schedule of all open source files used, indicating the relevant license and including a copy of the complete text of such license
- A written declaration that through the intended use of the open source software neither the products of the Supplier nor the products of the Customer will be subject to a "Copyleft Effect". In the context of this provision, "Copyleft Effect" means that the provisions of the open source license require that certain of the Supplier's products, as well as any products derived from these, may only be distributed further in accordance with the terms of the open source license e.g. only if the source code is disclosed.

Should the Supplier not indicate until after receipt of the order that its products and services contain open source software, then Siemens is entitled to cancel the order within 14 days of receipt of this information and provision of all the information contained in the above paragraph and NOT honor the payment.