

# Supplementary Terms and Conditions of Purchase for Work and Services SYNTEGON GROUP Germany as of 01/2020

## **1. Scope of Application**

These supplementary Terms and Conditions for Work and Services apply to all work and services of the supplier and supplement the General Terms and Conditions of Purchase of Syntegon Group Germany (can be viewed on our Homepage at [www.syntegon.com/suppliers-purchasing-and-logistics](http://www.syntegon.com/suppliers-purchasing-and-logistics)). The details of the performance of the services rendered are agreed between the supplier and us in the purchase order. These supplementary Terms and Conditions for Work and Services shall apply also to all software supplies of the supplier not destined for use in or in combination with products manufactured and/or distributed by us. These Supplementary Terms and Conditions for Work and Services shall prevail over the general Terms and Conditions of Purchase in the event of inconsistencies or deviations from the General Terms and Conditions of Purchase.

## **2. Acceptance of Work**

- 2.1 We shall conduct the acceptance test within a reasonable period of time. The supplier shall provide us with support to a reasonable extent in this respect.
- 2.2 The principle of overall acceptance of the services rendered by the supplier shall apply, even if partial acceptance has been explicitly agreed. The warranty period for the Services to be rendered shall commence uniformly on the date of overall acceptance. During acceptance, the interaction with services that may have already been accepted shall also be tested. If defects are detected in this context, the defect shall be deemed to exist in that part of the Service to be accepted.
- 2.3 Defects detected in the course of the acceptance test shall be documented in an acceptance report. The supplier shall remedy any defects preventing acceptance without undue delay and submit the Service for acceptance again. Defects not preventing acceptance shall be remedied by the supplier under the warranty.
- 2.4 If there are a number of defects not preventing acceptance, we have the right to refuse acceptance altogether.
- 2.5 Payment or use of the services is not deemed to constitute acceptance of the service.

## **3. Rights of Use and Ownership Rights with Respect to Work Results**

- 3.1 Work results within the meaning of this Section 3 encompass all results which are prepared, delivered, contributed or used by the supplier alone or, if allowed, together with others within the scope or context of this agreement for the performance of the service, such as inventions, developments, know-how, trade secrets, software, designs, graphic presentations, texts, concepts, drafts, drawings or documentations.
- 3.2 The supplier shall transfer to us the intellectual property rights arising from the performance of his work on the date of creation thereof. As far as works protected by copyright are created in this context, the supplier grants us worldwide and exclusive, factual and temporally unlimited rights of use and exploitation to all works protected by copyright for all currently known and yet unknown types of use. The rights of use and exploitation encompass in particular the rights to develop, to have developed, to manufacture, to have manufactured, to distribute, to full or partial, permanent or temporary publication or duplication and of communication, including the right to let and loan, irrespective of whether the communication is in tangible or intangible form, and the right of other disclosure to third parties for public disclosure and accessibility and of processing or reworking and sublicensing. The purpose of the aforementioned transfers and grants of rights is that we may freely dispose of the intellectual property rights and copyrights of use and exploitation.
- 3.3 If, in the context of performance of the contract by the supplier, software is compiled or edited, on the date of creation thereof we shall also have the right to the source code, including meaningful and understandable documentation according to our specifications, and it shall be released to us at any time on demand, at the latest, however, upon termination of the contract or it shall be successfully integrated into a development and integration system from us.
- 3.4 The supplier shall grant us all rights of use and exploitation worldwide and non-exclusively, objectively and temporally unrestricted of the trade secrets and know-how arising from the performance of its work results on the date of creation thereof.
- 3.5 With regard to the employees involved and to the German Act on Employee Inventions (Arbeitnehmererfindungsgesetz), the supplier shall ensure in an appropriate manner that both job-related inventions and free (non-job-related) inventions pass to us without undue delay.
- 3.6 We may register any inventions contained in the work results on our own discretion as a protective right in Germany and/or abroad and continue to pursue or drop the property rights resulting therefrom.
- 3.7 Once the agreed remuneration has been paid, all claims of the supplier for granting the rights pursuant to this section 3 have been settled. This shall also apply to the granting of rights for unknown types of use, unless this is not reasonable for the supplier considering the income and advantages deriving from such new type of use.

3.8 At the supplier's request, we shall grant the supplier a non-exclusive, non-sublicensable and non-transferable right of use against payment of a suitable license fee within the scope of a license agreement yet to be concluded between the parties on intellectual property rights, copyright usage and exploitation rights created by the supplier under this agreement, provided that this does not violate confidentiality obligations.

#### **4. Subcontractors**

The supplier shall render the services independently; no third party may be sub-contracted to perform part services unless we have given our prior consent in writing. In the event of sub-contracting, the supplier shall remain responsible for successful performance of the service.

#### **5. Changes to Services**

- 5.1 We have the right to request changes to services at any time in writing (e.g. reduction, modification or expansion).
- 5.2 After receipt of a change request in writing, the supplier shall provide a qualified written feedback on the change request without undue delay, within two (2) weeks at the latest, on the following points in particular:
- a. Anticipated impact on performance features and on agreed process plans and timetables;
  - b. If necessary, cost estimate for the implementation with offer and calculation, closely based on the previous calculation;
  - c. If necessary, suitable alternatives in case of unacceptability.
- 5.3 The supplier is obliged to implement change requests with a neutral cost effect without undue delay and without additional compensation following a written notification from us (textual form is sufficient). Prior to the implementation of other change requests, a separate agreement in writing is required between the parties.
- 5.4 We have the right to compensate for the additional expense resulting from change requests by waiving other parts of the services.

#### **6. Remuneration and invoicing**

- 6.1 Except as otherwise agreed between the parties in writing, the prices agreed are fixed prices covering the entire services and expenditures of the supplier, including travel expenses and other outlays.
- 6.2 If the remuneration is on a time and material basis, the following provisions shall apply in addition::
- 6.3 The remuneration shall be made on the basis of time and material based on the remuneration rates set forth in the respective order or price contract. Travel and waiting times do not count as time expended on rendering performance.
- 6.4 The invoice shall be issued in accordance with an agreed payment plan and shall include respective evidence on the content and scope of the Services respectively performed.
- 6.5 Unless otherwise explicitly agreed, the order amount provided in the contract constitutes the maximum amount of the net remuneration payable by us. The supplier must notify us in good time if it is foreseeable that the remuneration on the basis of time and material is likely to exceed this maximum amount. The supplier shall only be entitled to remuneration exceeding the maximum amount if we place a supplemental order for such exceeding amount in writing. The terms of this subsection shall apply accordingly to placing such order.
- 6.6 Travel costs shall only be reimbursed if and to the extent that this was agreed in or if we have given our explicit consent in writing to such reimbursement in an individual case. The original receipts must be submitted to evidence the expenses incurred. Travel costs shall be invoiced together with the next invoice. The information in our purchase orders and delivery schedules shall apply. A single copy of the invoice shall be sent to the respective imprinted address, indicating the invoice number and other allocation details; the invoice may not be enclosed with the consignments.

#### **7. Zahlungsbedingungen**

- 7.1 Payments made by us do not by any means imply acceptance or acknowledgement of the services as being in conformity with the contract.
- 7.2 If we have any claims against the supplier, we have the right to withhold payments. The delivery dates agreed shall not be affected thereby. We have the right at any time to offset all our own claims against the claims of the supplier.

#### **8. Warranty for Performance of Work / Work Supplies**

- 8.1 The supplier warrants freedom from defects as to quality and defects of title in accordance with the provisions of statute, the General Terms and Conditions of Purchase and in accordance with the following subsections.
- 8.2 The Services must embody the agreed properties at the time of the passing of risk. In the absence of an agreement on specific qualities, the services are free of defects if they are suitable for the use provided for in the contract, otherwise for normal use, and embody qualities which are customary in work of the same kind and which the customer can expect in accordance with the type of work.
- 8.3 In the event of defects, the supplier shall undertake without undue delay all the investigations that appear necessary and notify us as quickly as possible of the causes and of the measures to cure such complaints. The supplier shall collaborate without limitation in clarifying the causes of the defects or deviations and in the search for an efficient solution to the problem even if the cause of the complaints is the subject of dispute between the contracting parties.

**9. Rights of Withdrawal and Termination**

- 9.1 We may give notice of termination of individual contracts for work pursuant to Section 648 German Civil Code (BGB).
- 9.2 In the case of individual contracts for services, ordinary termination (“ordentliche Kündigung”) by the supplier is excluded during the term of the individual contracts. Sec. 621 BGB applies to us.
- 9.3 If the supplier gives notice of termination for good cause during the term of an individual contract without us having caused such termination, the Services rendered shall not be remunerated to the extent that we have no interest in them as consequence of the termination. Sentence 1 shall apply accordingly if notice of termination is given by us based on the supplier’s action that was in breach of contract. Further statutory claims of us shall remain unaffected.
- 9.4 Legal rights and claims shall not be restricted by the provisions included in this Section 9.
- 9.5 The termination of an individual agreement (regardless of the legal reason) shall not affect any rights granted to us under Section 3).