

**General Terms and Conditions of Purchase of  
Goods and Services  
Siemens Energy d.o.o. Beograd**

v.1.0.

## 1. Introductory Provisions

1.1. The present General Terms and Conditions of Purchase of Goods and Services (hereinafter: "**General Conditions**") shall apply: (i) in all cases where Siemens Energy d.o.o. Beograd, headquartered at Omladinskih Brigada 90v, Belgrade (hereinafter: "**Purchaser**" or "**SIEMENS**"), performs legal transactions in the capacity of buyer of goods and/or services, or (ii) where these General Terms are referred to in any individual contract on purchase of goods and/or services, or in any Purchase Order, or in any other explicit manner agreed with the person supplying goods or performing services (hereinafter: "**Supplier**").

1.2. These General Conditions are effective as of 1<sup>st</sup> October 2020.

## 2. Purchase Order and Confirmation Thereof

2.1. The Purchaser may cancel the Purchase Order sent to the Supplier, whose acceptance by the Supplier results in the conclusion of the contract whereby the Purchaser undertakes to accept the goods or services of the Supplier (hereinafter: "**Purchase Order**"), if the Supplier has failed to confirm receipt of the Purchase Order in writing within two weeks of receipt thereof ("**Confirmation of Purchase Order**"). The Purchaser reserves the right to withdraw an order at no cost to the Purchaser, unless it has received, from the Seller, a proper order confirmation within a reasonable period, but no later than two weeks after the date of the order. Such cancellation is deemed on time if it has been sent to the Seller before the Purchaser receives the purchase order confirmation.

2.2. The Purchase Order and/or the Confirmation of Purchase Order may be exchanged between the parties by way of electronic data interchange (Electronic Data Exchange, EDI) if such a way of communication has been previously and explicitly agreed, in written, between the Purchaser and the Supplier.

2.3. The acceptance of Purchase Order involving any modifications and/or supplements thereto shall not be deemed entry into a contract without prior written consent by the Purchaser to such modifications and supplements. If the Confirmation of Purchase Order deviates from the Purchase Order, the Supplier is obliged to clearly indicate such modifications and supplements thereto in the Confirmation of Purchase Order. An unconditional acceptance of the goods/services, by the Purchaser,

delivered by the Seller shall not be considered as acceptance of any such deviation. The General Terms and Conditions of the Supplier shall apply only if they do not contradict these General Conditions, or if the Purchaser has expressly and in written form agreed to their application. No action on the part of the Purchaser, including the acceptance of goods and/or services, payment, etc., shall constitute an act of the Purchaser's acquiescence to the General Terms of the Supplier. Any reference in the order to the Seller's quotation documents by the Purchaser does not imply acceptance of the Seller's terms and conditions.

2.4. Any terms and conditions of the Seller or any of its subcontractors made available in paper or digital form, together with the delivery of software products, shall not be binding upon the Purchaser, unless the Purchaser gave its prior special written approval. All above mentioned is valid, particularly if the Purchaser or any third parties attributable to the Purchaser (e.g. employees, consultants, customers of the Purchaser) commit an act that, pursuant to those terms and conditions, constitutes a basis for the conclusion of a contract, or if software registration or other cards are sent to the Seller.

## 3. The Right of Use

3.1. With respect to the rights transferred from the Supplier to the Purchaser upon delivery of goods and/or services, the Supplier guarantees that the Purchaser may and authorises the Purchaser to use the goods and/or services and transfer them to others, to install them in other systems, and to freely dispose of them without any limitations regarding time, territory or otherwise, except where such limitations stem unambiguously from the nature of legal transaction, or where such limitations have been expressly indicated in the Confirmation of Purchase Order.

## 4. Delivery Deadline; Default; Consequences of Default

4.1. Unless otherwise agreed, the Supplier is obliged to deliver goods, and/or perform services without delay and within a reasonable deadline. This implied or expressly agreed period shall count from the day of issue of the Purchase Order. It shall be deemed that the Supplier has timely delivered goods if the goods that are the subject of delivery have been handed over to the Purchaser within the agreed deadline and at the agreed place, i.e. it shall be deemed that the service has been rendered in a timely manner if the Purchaser has accepted the works that are the subject of service within the agreed deadline and in the agreed manner. The time

of acceptance of works concerning installation, assembling, etc. shall be the relevant time for assessing the timeliness of delivery in the case it is envisaged by the contract that the delivery of goods includes installation, assembly, etc., or if such delivery stems from the circumstances of the case.

**4.2.** If, based on the circumstances of the case, the Supplier suspects that the obligation owed to the Purchaser will not be met within the agreed deadline, the Supplier shall immediately inform the Purchaser thereof. In that event, the period for delivery of goods or services shall be extended only if the Purchaser has explicitly accepted such extension in written form.

**4.3.** In the case of default on the part of the Supplier, the Purchaser shall have the right to collect the contractual penalty, specifically:

- in the amount of 2% of the agreed price for each week of delay, if the agreed deadline for meeting the obligation that is being delayed was longer than 70 days;
- in the amount of 1% of the agreed price for each day of delay, if the agreed deadline for meeting the obligation that is being delayed was shorter than 70 days;

**4.4.** In any case, the contractual penalty for untimely performance of the obligation by the Supplier may not exceed 10% of the agreed price.

**4.5.** The Purchaser is entitled to collect contractual penalty and such penalty is independent of the Seller's fault and as well as of any proof of damage. The Purchaser reserves the right to claim damages exceeding the amount of the contractual penalty.

**4.6.** If the Supplier's obligation has not been met within the period in which the contractual penalty has reached its maximum, the Purchaser may terminate the contract and collect the contractual penalty in the amount of 10% of the agreed value as the contractual penalty payable for non-performance. This applies even if the Purchaser used to accept delayed partial deliveries without reservation before. The Purchaser shall have the same right and terminate the contract even before the time in which the contractual penalty reaches its maximum if the circumstances of the case show that the Supplier will not perform the obligation within that period.

**4.7.** Failure of the Purchaser to request the payment of contractual penalty upon the acceptance of performance shall in no manner constitute a presumption that the Purchaser has waived such a claim, and the Purchaser shall be entitled to request the payment of contractual penalty until the time of final calculation and payment, in which case the Purchaser shall be entitled to subtract the amount of contractual penalties from the payment owed to the Supplier.

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**4.8.** The collection of contractual penalty does not preclude other rights of the Purchaser in the case of default or non-performance.

**4.9.** In the case of Supplier's delay in meeting the contractual obligations, i.e. in the case where it is reasonable to foresee such a delay, the Purchaser may, at the expense of the Supplier, take all reasonable and necessary measures in order to prevent or remedy the consequences of the delay.

**4.10.** The provisions of these General Conditions concerning the contractual penalty shall not apply in the case where the performance deadline is an essential constituent element of the contract. In such case the contract shall be considered terminated at the moment of delay (unless the Purchaser has clearly demonstrated maintenance of the contract in force), which further authorises the Purchaser to claim the contractual penalty for non-performance in the amount of 10% of the agreed value.

**4.11.** The Purchaser is entitled to terminate the contract as a whole or in part, without prejudice to consequences, if insolvency or liquidation proceedings are opened against the Seller or if the Seller's ownership structure changes. The Seller is obliged to immediately inform the Purchaser about any of these circumstances.

## **5. Transfer of Risk, Transportation, and Place of Performance**

**5.1.** In the case of purchase of goods, the risk of loss of or damage to the goods transfers to the Purchaser at the moment of handover, while in the case of goods being installed or assembled the risk transfers to the Purchaser at the moment of acceptance of the assembly or installation.

**5.2.** Unless agreed otherwise, if the registered office of the Seller and the place of delivery are within the EU, DDP (place of destination) Incoterms® 2020 shall apply. If in this case delivery to construction sites or directly to third parties is agreed, the Seller shall bear the costs and risk of unloading the goods.

**5.3.** The goods the Supplier forwarded to the Purchaser shall be accompanied by the appropriate inventory and/or forwarding documentation, and the number of Purchasing Order shall be visibly displayed on the goods. The Supplier shall, without undue delay, send to the Purchaser the forwarding information along with the inventory.

**5.4.** In the case of early delivery, the Purchaser reserves the right to claim from the Supplier all additional costs caused by such delivery (including but not limited to storage and insurance expenses), as well as to effect the payment for the delivery and services in accordance with the contractual clauses regulating the delivery and payment. The risk of loss

or damage of goods remains with the Supplier until the agreed date/time of delivery, except where the loss or damage occurred through the Purchaser's fault.

**5.5.** All requirements made by the Purchaser, regarding mode of transportation, carrier and shipment rules must be strictly adhered. If the Supplier does not personally deliver the goods and there are no other instructions of the Purchaser, the Supplier shall organise the transportation with due diligence and under the most favourable market conditions. Should the Supplier fail to act in this manner, the Purchaser shall have the right to subtract from the agreed price the difference in the expenses of transportation otherwise organised by the Supplier. Additional cost arising from the need to meet the delivery date, by way of expedited shipment shall be borne by the Seller. Should agree payment instruments (e.g. letter of credit) and shipping documents, especially purchase order data, be missing or incomplete, the Purchaser is entitled to refuse acceptance at the Seller's cost and risk.

**5.6.** Partial as well as over-deliveries and under-deliveries are only permissible after obtaining Purchaser's express written approval. Goods are delivered to the goods receiving department of the place designated for delivery at the times agreed for the receipt of goods in the order. Each delivery shall be accompanied by a delivery note detailing the net weight per item and the complete purchase order number and the delivery address.

**5.7.** Retention of title of whatsoever nature by the Seller is invalid.

**5.8.** Where prices are quoted without packaging, packaging shall be charged at cost price and stated separately in the invoices. Unless otherwise agreed by the parties, the value of packaging material returned by the Purchaser to the Seller for reuse shall be reimbursed by the Seller. The Seller is liable for any damage caused by the improper packaging. When delivering hazardous goods, the Seller shall comply with all applicable statutory provisions, in particular those relating to the type and marking of packaging and to the means of transport to be used.

## **6. Suspension of Performance; Termination by Purchaser**

**6.1.** The Purchaser is authorised to order the Supplier to suspend the execution of contract at any time. Should such suspension last longer than three months, the Supplier may request the Purchaser to reimburse the Supplier for all reasonable and documented expenses caused by such suspension from that moment until the suspension of execution is over. Under no circumstances is the Supplier entitled to request the Purchaser to reimburse the

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Supplier for the profit lost or expenses incurred during the first three months of the suspension.

**6.2.** Until the time the Supplier has fully discharged its contractual obligations, the Purchaser may terminate the contract, as a whole or in part, at its own sole discretion even when there is no fault on the part of the Supplier. In that case, the Supplier is entitled to request the agreed price for the obligations that are proven to be performed until the termination date, but no other claims against the Purchaser are allowed.

**6.3.** Also, the Purchaser reserves the right to vary the scope of supply or services. The Seller is entitled to a corresponding adjustment in the contract price.

## **7. Invoices**

**7.1.** The Supplier is obliged to specify on each submitted invoice both the number of the invoice and the number of Purchasing Order.

**7.2.** Invoices must be prepared in a form enabling their control and easy comparison with the relevant Purchasing Order. Otherwise, the invoice shall be considered incomplete and shall not be honoured. All copies of invoices must be marked as duplicates. Electronic invoices will only be accepted if forwarded to the Purchaser via EDI.

**7.3.** The Supplier shall submit the invoice after the goods that are the subject of delivery have been received, i.e. after the services have been performed. If expressly stated or implied from the circumstances of the case that the delivery in question involves testing, quality control, etc., the delivery of relevant reports on the actions thus taken, and time reports confirmed by the Purchase, shall comprise an integral part of the obligation of the Supplier and its obligation shall not be met without such reports. Adequate discount on the price shall be granted should the Purchaser decide to accept the performance which is deficient in comparison to the agreed quality. Otherwise, the Supplier's right to submit the invoice shall count only after all the deficiencies in the performance have been remedied. Besides the reduction of the price in the case of acceptance of deficient delivery, the Purchaser shall be able to exercise any other rights in accordance with the law.

## **8. Terms of Payment**

**8.1.** The period within which invoices must be paid commences with Purchaser's unconditional acceptance of delivered goods or services and upon receipt of the properly issued invoice. If the Seller is obliged to provide material tests, test records or quality control documents or any other documentation, deliveries and services will be regarded as fully performed only upon receipt of

such documentation. Unless agreed otherwise, the Purchaser shall be obliged to effect payment on the last day of the month following the month in which the invoice was delivered to the Purchaser.

**8.2.** In any case, payment shall not be understood as the acceptance of performance by the Purchaser, i.e. as the Purchaser's waiver of the right to object to deficiencies of such performance.

**8.3.** Liabilities of the Supplier owed under a contract in accordance with the present General Conditions may not be compensated with claims the Supplier has against the Purchaser on any other basis. The Supplier may cede the claims the Supplier has against the Purchaser only if such cession has previously been consented to in writing by the Purchaser.

## **9. Inspection at Acceptance**

**9.1.** The mere receipt or temporary use of deliveries and services or payments made thereof do not constitute an acceptance or waiver of rights by the Purchaser. Acknowledgements of receipt issued by the goods receiving department of the Purchaser do not constitute a final acceptance by the Purchaser of the goods delivered.

**9.2.** At the time of discharge of the obligation, or immediately thereafter, the Purchaser shall perform inspection of the delivered goods and/or works in order to detect any visible deficiencies.

**9.3.** The Purchaser shall notify the Supplier of any deficiency thus established within 30 days of the day of the discharge, i.e. of the day of commencement of the use of the delivery, its assembly or further processing, i.e. of the day the deficiency has been identified.

**9.4.** The Seller is required to carry out an adequate inspection of the components that it provides (e.g. raw materials, building materials) from upstream suppliers, producers and other third parties upon receipt in order to determine any apparent or hidden defects, and to notify the supplier of such defects without delay.

**9.5.** The Seller's subcontractors are regarded as its agents, for which the Seller is entirely liable.

**9.6.** The Supplier shall be liable for all deficiencies detected or emerging within two years of the day of delivery of goods or acceptance of works, unless a longer deadline is prescribed by separate legal provisions.

## **10. Liability for the Lack of Conformity**

**10.1.** In the case of deficiencies, the Purchaser is authorised to request that they be remedied either by repair, or by delivery of the relevant goods without deficiencies, or by performing the relevant

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works in the agreed manner, or by reducing the agreed price to an equitable level. Additionally, the Purchaser is entitled to request payment of damages suffered by such performance.

**10.2.** Should the Supplier fail to remedy the deficiencies within the given deadline, the deficiencies may be remedied by the Purchaser itself or by engaging a third party, at the expense of the Supplier.

**10.3.** If the acceptance of delivery is conducted by way of inspecting randomised samples, and if any of the samples prove to be deficient, the Purchaser may reject the delivery as a whole. The Purchaser shall have the same right if any part of the delivery is deficient.

**10.4.** The Purchaser may terminate the contract without previously requesting that the deficiencies be remedied, in which case the Purchaser is entitled to request the contractual penalty payable for non-performance in accordance with the provisions of Article 4 of the present General Conditions.

**10.5.** In the case of partial performance, the Purchaser shall have the right to demand the performance in full, or to cancel the purchase in the part that has not been performed and to reduce the price equitably if the Purchaser has no interest in accepting such partial performance. If the Purchaser demands the performance in full, the time when the agreed amount of work or goods has been actually received shall be deemed the time of performance of the obligation. At any rate, the Purchaser shall be able to exercise all the rights referred to in Article 4 of these General Conditions.

## **11. Warranty**

**11.1.** The Seller warrants to the Purchaser that it will use best, appropriate and brand-new materials, manufacture the products adequately and in compliance with the underlying technical drawings, and that it will provide their proper installation.

**11.2.** Warranty for the proper functioning of delivered goods, i.e. for the reliability of works performed shall be for two years. The warranty period for products and services that become a fixed part of buildings or land is three years.

**11.3.** The warranty period for deliveries begins to run with the erection or installation of the delivered products, for services with their acceptance, for deliveries not involving erection or installation with their delivery to the place of destination, for hidden defects with their identification. For deliveries to locations where the Purchaser uses the Seller's goods to perform contracts outside its premises, the warranty period begins to run with the acceptance of the services to be rendered by the Purchaser to the Purchaser's customer. This time-limit is deemed to be

observed if the Purchaser has asserted warranty claims against the Seller within the aforesaid periods in writing.

**11.4.** If engineering, advisory, software or documentation services or staff are provided by the Seller, the Seller fully guarantees the correctness and completeness of its written and verbal information and instructions for a period of two years after their provision.

**11.5.** Should any deficiencies show on the delivered goods or performed works during the warranty period, the Purchaser is authorised to request the Supplier to remedy such deficiencies in the manner to be determined at its discretion.

**11.6.** The Supplier shall remedy the claimed deficiency within a reasonable deadline set by the Purchaser. In the case of imminent danger, e.g. in order to avoid its own default, or if the Seller fails to rectify defects within a reasonable time, the Purchaser shall be entitled to acquire defect-free products from third parties, without prior notification and without prejudice to its warranty claims against the Seller or to repair or have defective goods repaired at the Seller's expense. The Seller shall fully reimburse Purchaser for the cost of such repairs, even if it exceeds the cost of repair made by the Seller, without delay and following an invitation from the Purchaser.

**11.7.** The Purchaser is entitled to claim all costs incurred in connection with the rectification of defects, e.g. installation and removal costs. The Seller shall, without delay, reimburse Purchaser for any inspection costs if an inspection has revealed defects. In addition to the right to request that deficiencies be remedied, the Purchaser is authorised to request payment of damages caused by such deficiencies.

**11.8.** Warranty shall start anew for the repaired or changed parts of goods or works. The warranty period shall also be extended for the period the Purchaser was deprived of the use of goods or works due to the deficiencies.

**11.9.** The Seller shall indemnify and hold the Purchaser harmless against disputes arising from any patent, copyright, trademark or registered design, and guarantee Purchaser the unrestricted use of the delivered product, without delay and following an invitation from the Purchaser. Without prejudice to other obligations, the Seller will indemnify and hold Purchaser harmless against any product liability claims raised by third parties against Purchaser as a result of defects in the products delivered by the Seller, without delay and following an invitation from Purchaser. The Seller undertakes to compensate Purchaser for costs incurred in connection with a defence against any such claim or in connection with an obligation to repair defective

products, without delay and following an invitation from the Purchaser. The Seller will provide Purchaser with ample proof that it has taken out adequate insurance to cover these risks.

**11.10.** For a period of 11 years after the last delivery, the Seller shall provide Purchaser upon the latter's request with the names of the respective manufacturers, importers, upstream Sellers without delay, not later however than two weeks after being requested to do so. Furthermore, the Seller will provide the Purchaser immediately with appropriate evidence, such as production records and documents specifying production and delivery batches and/or the date of production and delivery to enable Purchaser to oppose product liability claims. The Purchaser reserves the right to demand proof of the Seller's quality control system and the Seller's documentation of the quality tests executed, and to carry out audits on the Seller's premises at any time. The Seller shall compensate Purchaser for the costs of the audit if defects in the quality control system or errors of the documentation of quality tests are detected in the course of the audit.

**11.11.** The Purchaser bears no responsibility for damages regarding health and safety, suffered by the employees of the Supplier or his sub-suppliers, nor for the damages suffered by the Supplier or damages caused to third persons by the Supplier, except in case of intent or gross negligence. The Supplier undertakes full legal responsibility for applying all health and safety measures within the business frame of this General Terms and Conditions. The same applies to the Supplier's liability for works he subcontracted to his cooperants. The Supplier is obliged to perform all contracted works and activities in a way which prevents any and all reports or publications at the detriment of the Purchaser and in a way which prevents disruption of the Supplier's business reputation.

**11.12.** All rights of the Purchaser concerning the liability of Supplier for the lack of conformity based on the warranty shall be considered ceded to the end user of the delivered goods or services, if the Purchaser is not the end user. In that respect, the Supplier shall be obliged to indemnify the Purchaser from all claims of the end user, or to reimburse the Purchaser for the amount of such claims and all accompanying costs.

## **12. Materials of the Purchaser**

**12.1.** In case the Purchaser provides the Supplier with materials necessary for the discharge of Supplier's obligation, such materials shall remain the property of the Purchaser, and shall be, without compensation, separately stored, labelled and managed. The Supplier shall take care of such



materials with due diligence, keep them separately from other materials at the expense of the Supplier, and clearly mark the materials as the property of the Purchaser.

**12.2.** The Supplier is obliged to confirm receipt of the materials provided by the Purchaser. The Supplier may use such materials solely for meeting its obligations towards the Purchaser. Once the materials have been handed to the Supplier, the Supplier shall be liable for any damage and decrease of value of the material. Any damage claims for delays in the provision of materials and the right of retention (lien) are precluded.

**12.3.** The objects made by the processing and use of the materials are the property of the Purchaser.

### **13. Drawings, Sketches, Samples, Tools, etc.**

**13.1.** Drawings and technical calculations shall be made available by the Seller free of charge, where necessary.

**13.2.** If, for the purposes of discharge of Supplier's obligations, the Purchaser provides the Supplier with sketchers, tools, patterns, samples, models, profiles, drawings, standard specification sheets, printing templates and materials., or gives instructions or advice that are or may be the subject of intellectual property rights, they shall remain the property of the Purchaser, while the Supplier shall use the objects thus provided solely for meeting the obligations towards the Purchaser, and return them to the Purchaser upon execution of the obligations. Any transfer of the objects to third parties shall be allowed only upon prior written consent of the Purchaser, and shall not be use in no other purpose but agreed. Upon meeting the obligations towards the Purchaser, the Supplier shall return to the Purchaser all the objects thus provided or destroy all recording media containing the information referred to in this Article.

**13.3.** The Purchaser is authorised to request from the Supplier any drawings, sketches, plans, projects, specifications, etc. used by the Supplier in meeting its obligations towards the Purchaser, which were not previously obtained by the Purchaser.

**13.4.** Any and all documentation, such as plans, drawings, and models shall become the property of the Purchaser, even if the contract should be terminated prematurely or cancelled and shall be handed over to Purchaser upon request. The Seller shall grant to Purchaser exclusively, irrevocably and without claim for additional remuneration the sub-licensable right of use, unlimited with respect to contents and time, as well as the corresponding permission to use the works resulting from this contract. purchaser thus is entitled to exploit, by

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means of implementation of the respective plans, or otherwise use said plans and other documentation in their original form or after modification without any further participation or approval by the Seller.

### **14. Special Conditions Concerning Hardware and Software**

**14.1.** Unless agreed otherwise, hardware and software shall always comprise a single product.

**14.2.** If the Supplier is obliged to deliver software that was not developed individually for the Purchaser, the Supplier shall grant the Purchaser a transferrable and non-exclusive licence to use the software. This right of use shall not be limited in duration in cases where the payment of a lump sum has been agreed for the use of such software.

**14.3.** For software products that are developed individually for the Purchaser, the Supplier shall grant the Purchaser an exclusive and transferrable licence to use the software; the licence shall be of unlimited duration and shall exclude the right of Supplier to use the software for any purpose. Unless otherwise agreed, software shall be delivered along with the source code of its latest version. The Purchaser is authorised to perform modifications of such software without consent of the Supplier.

**14.4.** The Supplier is obliged to install the software. Upon installation, the Supplier shall provide a data carrier that may be displayed in the Purchaser's system, both in the form of source code and object code, together with the relevant documentation (contents and structure of data carrier, programme and data flow diagrams, test procedures, test programmes, error processing, etc.). In addition to such documentation, the Supplier shall provide a sufficient number of copies of comprehensive written documentation for the user in the English language and/or any other language selected by the Purchaser.

**14.5.** The software developed individually for the Purchaser shall be accepted in the form of written acceptance protocol (minutes), provided that the software meets the agreed requirements and specifications. Any corrections to be effected by the Supplier shall also be included in the acceptance protocol.

**14.6.** During the warranty period, the Supplier undertakes to provide the Purchaser with all the subsequent versions of software in which errors were eliminated (updates), free of charge. The supplier also undertakes to offer the Purchaser software maintenance services for competitive market prices for the period of at least five years following the acceptance date. Within the warranty period, the maintenance costs shall be duly lowered.

**14.7.** The Supplier shall inform the Purchaser, no later than the time the Purchase 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, hardware or other information that is provided royalty-free by the respective licensor to any user on the basis of a license with the right to modify and/or to distribute (e.g. GNU General Public License (GPL), the GNU Lesser GPL (LGPL), or the MIT License).

**14.8.** Should the Supplier fail to inform the Purchaser that the Supplier’s products and services contain open source software, the Purchaser is entitled to cancel the Purchase Order and request the payment of damages, and the Seller is then also obliged to indemnify and hold Purchaser harmless.

**14.9.** Should the products and services delivered by the Seller contain open-source components, the Seller shall comply with all applicable open source license terms and shall grant all those rights to the Purchaser and provide all information which Purchaser needs in order to comply itself with the applicable license terms. In particular, the Seller must deliver to the Purchaser promptly after the order is confirmed the following:

- The complete source code of the relevant open source software, including scripts and information regarding its generating environment insofar as the applicable open source conditions require this;
- A schedule of all open source files used, indicating the relevant license, its version and including a copy of the complete text of such license and reference to copyright and/or author-ship. Such schedule must have an understandable structure and contain a table of contents.

**14.10.** The Seller shall inform Purchaser - at the latest at the time the order is confirmed - whether any open source licenses used by the Seller will – within their intended use - be subject to a “Copyleft Effect” which will affect the products of the Purchaser. In the context of this provision, “Copyleft Effect” means that the provisions of the open source license require that certain of the Seller’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.

**14.11.** Should the Seller not indicate until receipt of the order that its products and services contain open-source components or whether the described “Copyleft Effect” would occur, then Purchaser is entitled to cancel the order within 14 (fourteen) days upon receipt of this information.

**15. Confidentiality; Data Protection; Subcontractors**

**15.1.** The Supplier undertakes to maintain as confidential all the information concerning the Purchaser or the scope of contract, unless such information has become publicly available or known to the Supplier in another lawful manner. Moreover, the Supplier undertakes to keep as confidential any results or partial results obtained in the implementation of Purchase Order, and to use such results solely for the implementation of the relevant Purchase Order. Should the Supplier engage a third party in the discharge of its contractual obligations, the Supplier shall ensure that the third party is contractually bound to maintain at least the same level of confidentiality.

**15.2.** The same shall apply to any personal data about the employees of the Purchaser or any other third party data obtained by the Supplier in relation to the contract concluded with the Purchaser. The Supplier is bound to protect such information from becoming available to any third party, to ensure compliance with the Law on Personal Data Protection, and to oblige its employees (including employees, externally engaged persons and independent experts) performing duties in relation to the contract to the same level of confidentiality.

**15.3.** The Seller’s data (commercial register data, address, telephone and facsimile number as well as other information required for correspondence following from modern communication tools, locations, contact persons, ordered goods, and supply volumes) which become known to the Purchaser in connection with the respective business transaction will be automatically processed only for the execution of the contract, in particular, for administration and billing purposes. For technical reasons, it may be necessary to store such data on servers of a company that is a member of the group of the companies affiliated with the Purchaser.

**15.4.** The Seller expressly agrees that the data obtained from each business transaction and stored according to item 15.3 may be passed on to other companies affiliated to the Purchaser.

**15.5.** The protection of personal data is very important to SIEMENS. Therefore, SIEMENS processes personal data only in accordance with all applicable data protection and data security regulations. In the course of doing business with suppliers SIEMENS processes personal data of contact persons at the Seller, at interested parties (potential suppliers) or at other business partners. Details to the categories of the processed data, the purposes of the processing and its legal grounds can be found in the Data Privacy Policy of the contracting Siemens company – available in detail on the

respective homepage on the following link <https://intranet.for.siemens.com/cms/110/sr/about/org/Pages/rc-rs-lc-compliance-org.aspx>. The Supplier agrees that the Purchaser may submit the information about the Supplier and/or the contract to other members of the SIEMENS Group.

**15.6.** The Supplier shall not assign its obligations towards the Purchaser to any third party – subcontractor, without explicit written consent of the Purchaser. Should such consent be given, the Supplier undertakes to effect such assignment ensuring that all the rights and interests of the Purchaser are protected in accordance with the present General Conditions.

**15.7.** The Supplier agrees that the Purchaser may assign the contract to any other member of the SIEMENS Group without special consent of the Supplier.

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

**16.1.** For all Products to be delivered and Services to be provided, Supplier shall comply with all applicable export control, customs and foreign trade regulations (“Foreign Trade Regulations”) and shall obtain all necessary export licenses, unless Purchaser or any party other than Supplier is required to apply for the export licenses pursuant to the applicable Foreign Trade Regulations.

**16.2.** Supplier shall advise Purchaser in writing as early as possible but not later than (7) days prior to the Delivery Date of any information and data required by Purchaser to comply with all Foreign Trade Regulations for the Products and Services applicable in the countries of export and import as well as re-export in case of resale. In any case Supplier shall provide Purchaser for each Product and Service:

- the “Export Control Classification Number” according to the U.S. Commerce Control List (ECCN) if the Product is subject to the U.S. Export Administration Regulations; and
- all applicable export list numbers (AL); and
- the statistical commodity code according to the current commodity classification for foreign statistics and the HS (Harmonised System) code; and
- the country of origin (non-preferential origin); and
- upon request by Purchaser: Supplier’s declaration for preferential origin (in case of European suppliers) or preferential certificates (in case of non- European suppliers) („Export Control and Foreign Trade Data”).

**16.3.** In case of any alterations to origin and/or characteristics of the Products and Services and/or to the applicable Foreign Trade Regulations Supplier

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shall update the Export Control and Foreign Trade Data as early as possible but not later than (7) days prior to the Delivery Date. Supplier shall be liable for any expenses and/or damage incurred by Purchaser due to the lack of or inaccuracy of said Export Control and Foreign Trade Data.

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

**16.5.** For the provision of Goods and Services under this General Conditions, the Supplier shall only use employees who are not listed in the relevant national, European and US-American sanctions lists based on foreign trade legislation. These lists include, but are not limited to, the US Denied Persons List (DPL), the US Unverified List, the US Entity List, the US Specially Designated Nationals List, the US Specially Designated Terrorists List, the US Foreign Terrorist Organizations List, the US Specially Designated Global Terrorists List and the EU’s Terrorist List.

## **17. Information, Declaration of Materials, RoHS, Disposal, Packaging, Dangerous Goods**

**17.1.** If the Seller delivers products that are subject to regulatory or other legal requirements with regard to their placement on the market and further marketing in the European Economic Area, or comparable requirements in other countries of use named by the Purchaser, the Seller must ensure that the products fulfil these requirements in their version applicable at the time of acceptance. The Seller must further ensure that all documents and information necessary for proof of conformity of the products with the applicable requirements can be supplied to Purchaser immediately upon request.

**17.2.** Notwithstanding any legal information duties, the Seller shall provide Purchaser with all necessary and useful information pertinent to the goods and services to be delivered, in particular, information on proper storage as well as safety data sheets in accordance with EU regulative applicable at the time of conclusion of the contract. In addition, the Seller shall raise Purchaser’s attention to the possibility of hazardous waste or waste oils arising from the goods delivered by the Seller and shall, in particular, advise Purchaser on their disposal. Upon Purchaser’s request, the Seller shall take back, free of charge, any waste resulting from the ordinary use of the delivered goods or similar products, as defined in the applicable Waste Management Act. However, such obligations shall be limited to the amount delivered by the Seller. Should the Seller refuse, or should the Seller not be able to accept such waste,



the Purchaser shall be entitled to dispose of it at the Seller's expense. Waste generated during the execution of works must be collected separately, waste disposals must be arranged for the separate collection of non- dangerous waste (metal, sheet metal, wood...) and be disposed of in the designated places for collection of certain type of waste. If occurrence of dangerous waste is predicted during the execution of the works, Seller is obliged to provide the containers for disposal of it, in accordance with the applicable regulations. Flammable waste must be in metal containers with lids and away from flammable sources. At the end of the work, it is the obligation of the Seller to clean the worksite, to dispose of any residual material and dispose waste in a legally prescribed manner. All costs for cleaning the construction site and eliminating or managing the waste is included in the agreed price. If Seller fails to fulfil this obligation or is late in performing of it, the Purchaser is entitled to perform the work at the Seller's cost and will issue Invoice to Seller with payment terms equivalent to payment terms which the Purchaser has with Seller in certain case.

**17.3.** The Seller ensures that deliveries under the order are RoHS-compliant and therefore in conformity with the EC Directive on the Restriction of the use of certain Hazardous Substances in Electrical and Electronic Equipment (EU Regulations in the version applicable as of conclusion of the contract) at the time of delivery. In the event that deliveries fail to comply with this EC Directive, the Seller shall, without prejudice to any warranty claims that Purchaser may raise, compensate Purchaser for any damage arising from such non-compliance.

**17.4.** Should the Seller deliver legally permissible products, which are, however, subject to statutorily-imposed substance restrictions and/ or information requirements (e.g. REACH – Registration, Evaluation, Authorisation and Restriction of Chemicals), the Seller shall declare such substances in the web database BOMcheck ([www.BOMcheck.net](http://www.BOMcheck.net)) or in a reasonable format provided by the 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 Seller or the Purchaser or at the designated place of delivery requested by the Purchaser. Furthermore, the Seller 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.

**17.5.** Should the delivery contain goods which – according to international regulations – are classified as dangerous goods, the Seller shall inform Purchaser hereof in a form agreed upon between

Seller and the Purchaser, but in no case later than the date of order confirmation.

## **18. Compliance Provisions; Security in the Supply Chain**

**18.1.** In the course of meeting the obligations that are the subject of the contract and other activities directly or indirectly related to the contract, the Supplier explicitly undertakes to comply with all applicable labour, employment, obligatory social contributions, tax, anti-corruption, antitrust, anti-money laundering, environmental protection and other laws and provisions, to refrain from any actions that might constitute bribery, violation of fundamental rights of the employee or child labour regulations. In the case of cross-border assignments of employees, the Seller has to observe all statutory regulations of the country of operation. In particular, the Seller shall fulfil all statutory wage requirements as well as the wage requirements from all collective bargaining agreements, shall fulfil his statutory obligations to pay taxes and social insurance contributions, shall comply with all statutory and official requirements for work safety, and shall only use employees who have the necessary working permits and have proper social security and accident insurance. In case of involvement of third parties and/or involvement of further third parties involved by these third parties, the Seller equally ensures the compliance with these requirements. Upon request the Seller has to provide to the Purchaser with respective written proof of compliance with these obligations, by itself and the third party. The Seller shall fully indemnify and hold harmless Purchaser from and against claims based on the infringement of the obligations according to this article 18.1. by the Seller or third parties. Moreover, the Seller shall take responsibility for the health and safety of its employees at their workplace, act in accordance with the applicable environmental laws and make the best efforts to promote this Code of Conduct among its Sellers.

**18.2.** The Seller is obliged to comply with all legal requirements regarding the health and safety of its employees. The Seller is obliged to ensure that the health and safety of its personnel as well as the personnel from his direct or indirect subcontractors employed to perform the deliveries and services and all other persons who are entitled to stay in the work area, is protected.

**18.3.** If workers illegally employed or engaged in any other illegal manner by the Supplier are found on the construction site on which works and/or services in connection with the performance of an individual contract on purchase of goods and/or services are performed, the Supplier shall pay the Purchaser a

contractual penalty of € 5,000 per illegally employed worker and day of employment, without prejudice to further consequences and claims which Purchaser has pursuant to this General Terms and Conditions and the Law.

**18.4.** The Seller shall notify the Purchaser – at the latest upon submission of the Seller's offer to the Purchaser – in writing if the Seller or members of its management board have been sentenced by final judgement of a national court for corruption of a public officer within the last five years prior to the submission of the Seller's offer to the Purchaser, and, without undue delay, if the Seller or members of its management board are charged with corruption of a public officer before a national court at any time between submission of the Seller's offer to the Purchaser and acceptance of the supplies/services of the Seller. Such notification shall ensure compliance with the requirements laid down by the OECD Recommendation on Anti-corruption in relation to national export guarantees.

**18.5.** Additionally, the Supplier confirms that no part of payment effected by the Purchaser will, directly or indirectly, be used for securing an improper business advantage or gains for the Purchaser.

**18.6.** The Supplier hereby represents and warrants that the bank accounts to which the funds will be transferred on the basis of fulfilment of the contract are kept in its name and exclusively for its own account.

**18.7.** All payments to the Supplier shall be effected via electronic transfer between bank accounts. The Purchaser shall not make payment to the Supplier in cash or any other bearer instruments, or to a bank account in a country other than the country of Supplier's registered office, or in a country where services have not been provided, and no payment shall be effected, directly or indirectly, via a trust company, intermediary institution, or a third party.

**18.8.** Compliance with these provisions by any subcontractor of the Supplier also comprises an essential obligation of the Supplier.

**18.9.** The Seller 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 Seller shall protect the goods and services provided to Purchaser or provided to third parties designated by Purchaser against unauthorized access and manipulation. The Seller shall only deploy reliable personnel for those goods and services and shall

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obligate any subcontractors to take equivalent security measures.

**18.10.** Failure to comply with these regulations shall constitute a fundamental breach of the contract and entitles the Purchaser to termination of the contract with immediate effect.

**18.11.** The Seller is obliged to abide by the principles and terms of the "Code of Conduct for Siemens Sellers and Third-Party Intermediaries", attached herein as Appendix 1 (hereinafter: "**Code of Conduct**").

**18.12.** If required by the Purchaser, the Seller shall, once a year at most, submit to the Purchaser (of his own choice) either (i) a written self-assessment report in the form requested by the Purchaser or (ii) a written report approved by the Seller which describes the measures taken or to be taken by the Seller in order to abide by the Code of Conduct.

**18.13.** The Purchaser and its authorized agents, representatives and/or a third party appointed by Purchaser and acceptable to the Seller shall be authorized (but not obliged) to perform inspection - including on the Seller's premises - in order to verify whether the Seller abides by the Code of Conduct. Inspection may be performed only after prior written approval by Purchaser, during regular working hours and in accordance with the existing data protection act. In doing so, the inspection shall not unreasonably interfere with the Seller's operations nor violate any of the Seller's confidentiality agreements concluded with third parties. The Seller is obliged to reasonably cooperate with any inspection being performed. Each party shall bear its own costs associated with such inspection.

**18.14.** In addition to all other rights and remedies available to the Purchaser, in the event that (i) the Seller severely violates the Code of Conduct on several occasions or (ii) if the Seller fails to allow Purchaser to use its right to inspection in accordance with the third paragraph of this Section, after Purchaser has warned the Seller and has given him sufficient time and opportunities to correct omissions, the Purchaser may terminate this Contract and/or any order performed under it, without any compensation.

**18.15.** A severe violation includes but is not limited to cases of child labour, corruption and bribery and non-compliance with the terms related to environmental protection determined by the Code of Conduct. The provision which refers to the granting of a time-limit and the opportunity to correct omissions is not applicable neither to violations of terms and principles related to child labour stated in the Code of Conduct nor to the intentional non-compliance with the terms referring to environmental protection determined by the Code of Conduct.

**18.16.** The Purchaser is granted with the right of direct monetary remuneration by the Seller, on the basis of an invoice due for payment within 7 days, in the amount determined by the Purchaser at its sole discretion for each case of breach of the provisions of this Article by the Seller. The Seller waives its right to contest such invoice issued by the Purchaser. In the event of such breach, the Purchaser is authorized to terminate the Contract and take any other measures, at its sole discretion. This right does not in any way affect Purchaser's right to compensation for damages or any other right deriving from the Seller's behaviour contrary to the statutory or contractual health and safety provisions.

## 19. Cybersecurity

**19.1.** The Seller undertakes appropriate organizational and technical measures to ensure the confidentiality, authenticity, integrity and availability of Seller Operations as well as products and services. These measures shall be consistent with good industry practice and shall include an appropriate information security management system consistent with standards such as ISO/IEC 27001 or IEC 62443 (to the applicable extent).

**19.2.** "Seller Operations" means all assets, processes and systems (including information systems), data (including Customer data), personnel, and sites, used or processed by the Seller from time to time in the performance of this contract.

**19.3.** Should products or services contain software, firmware, or chipsets:

- the Seller is obliged to implement appropriate standards, processes and methods to prevent, identify, evaluate and repair any vulnerabilities, malicious code, and security incidents in products and services which shall be consistent with good industry practice and standards such as ISO/IEC 27001 or IEC 62443 (to the extent applicable);
- the Seller shall continue to support and provide services to repair, update, upgrade and maintain products and services including the provision of patches to the Purchaser remedying vulnerabilities for the reasonable lifetime of the products and services;
- the Seller shall provide to the Purchaser a bill of materials identifying all third-party software components contained in the products. Third party software shall be up-to-date at the time of delivery to the Purchaser;
- the Seller shall grant to the Purchaser the right, but the Purchaser shall not be

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obliged, to test or have tested products for malicious code and vulnerabilities at any time, and shall adequately support the Purchaser;

- the Seller shall provide the Purchaser a contact for all information security related issues (available during business hours).

**19.4.** The Seller shall promptly report to the Purchaser all relevant information security incidents occurred or suspected and vulnerabilities discovered in any Seller Operations, services and products, if and to the extent the Purchaser is or is likely to be materially affected.

**19.5.** The Seller shall take appropriate measures to achieve that its subcontractors and sellers shall, within a reasonable time, be bound by obligations similar to the provisions of this Article 19.

**19.6.** Upon the Customer's request, the Seller shall provide written evidence of its compliance with this Article, including generally accepted audit reports.

## 20. Environmental Health and Safety

**20.1.** The Seller shall comply with all legal provisions on health and safety and shall make his best efforts a) to remove threats to the health and safety of persons employed by the Seller and Seller's direct or indirect sub-Sellers responsible for the performance of works ("personnel") and b) to ensure that no person who is authorized to be on a construction site, including personnel, Siemens personnel and visitors is injured.

**20.2.** Prior to the commencement of works, the Seller shall: 1) provide Purchaser with a risk assessment prepared for that specific site in written form that a) analyses any potential threats to the health and safety of personnel which may arise from the performance of works and b) determines measures, deadlines and responsible persons to remove such threats; 2) provide Purchaser with a EHS Plan/Plan of work execution prepared for that specific site, in written form, in accordance with provisions of the relevant national bylaw. Both documents must cover all Contractor's work activities (his own and his sub-contractor's).

**20.3.** The Seller shall ensure that all personnel, prior to the start of works, participates in specific training organised for that construction site which must be documented in written form, and that the same personnel is equipped with appropriate personal protective equipment and other equipment. The Seller shall ensure that the personnel uses that personal protective equipment and other equipment and that the equipment is maintained in good condition at all times, have

appropriate certificates and, if necessary, replace them with new ones.

**20.4.** The Purchaser reserves the right, at its sole discretion and at any moment, to remove any personnel from the construction site and/or suspend the performance of works for health and safety reasons, in which case Siemens shall bear no liability or any other consequences.

**20.5.** The Seller is obliged to appoint an expert as its representative for environment, health and safety and fire safety ("the Seller's EHS representative") and shall ensure that the Seller's EHS representative participates in discussions related to safety which will periodically be organized by the Purchaser.

**20.6.** The Seller shall regularly monitor compliance with the legal provisions as well as provisions in the field of occupational health and safety, fire safety and environmental protection defined in the contract and in the internal rules of the End Customer. In addition, Seller shall a) periodically conduct site visits, known as Safety Walk and Talk (SRB: Sigurnosni obilasci i razgovori), b) ensure communication of Stop Work Authority (SRB: Pravo na obustavu rada u slučaju opasnosti) rule in case of identified danger, c) ensure implementation of rules prohibiting work in parts for which a work permit has not been issued (SRB: Dozvola za rad) and d) ensure communication to all workers that Purchaser must be informed about each Work order, i.e. the work activity must not start without prior approval by the Purchaser's responsible person.

**20.7.** Upon the request of the Purchaser, the Seller shall immediately allow Purchaser to access the Seller's documents which refer to health and safety, fire safety and environment protection, and relate to the works.

**20.8.** In the event of an incident which leads to a) the death of any one member of personnel or b) serious injury which includes more than one day of incapacity to work of any one member of personnel or c) more than three workers put in hospitals, d) an injury that requires medical attention the Seller shall immediately notify Purchaser and shall, without delay, 1) provide first aid to injured persons and secure the location of the incident 2) conduct an analysis of the basic cause of the incident, 3) determine appropriate measures in order to prevent similar incidents in the future, 4) define time-limits and responsible persons for measures to be carried out and 5) submit a written report to Siemens within one week from the incident which contains sufficient details on the basic cause of the incident, the measures determined and the time-limits defined. The Seller shall support any additional investigations that might be carried out by the Purchaser.

**20.9.** Purchaser and its authorized persons and representatives and/or a third party designated by

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Siemens have the right (but not the obligation) to perform – including at the Seller's premises – an Audit to evaluate the Seller's environmental, health and safety management system, including controls of appropriate documents and, in case of deficiencies classified as serious by Siemens, defining of remedial measures.

**20.10.** Such Audit may only be conducted by Siemens with prior written notice, during regular business hours, in accordance with applicable data protection law, and shall not unreasonably interfere with Seller's business activities or violate any vendor confidentiality agreement with third parties. The Seller undertakes to cooperate reasonably during each performed Audit. If the Audit is caused by serious incident described in clause 20.8 or by continuous or recurring environmental and occupational health and safety deficiencies, the cost of that Audit and any delay in the provision of Siemens services to the End Customer shall be borne by the Seller.

**20.11.** When Purchaser prepares a document related to health and safety on a construction site ("EHS Plan/Plan of work execution"), the Purchaser will provide a copy of it for the Seller. The Seller shall confirm the receipt of the document in writing and act in accordance with the provisions contained therein. The same applies to the amendments to the EHS Plan/Plan of work execution which Siemens may carry out when deemed necessary. The Seller shall ensure that its direct or indirect sub-Sellers, with which the Seller contracted works, commit to conduct in compliance with the EHS Plan/Plan of work execution and its amendments.

**20.12.** In addition to all other rights, Purchaser may, in the event the Seller violates legal and/or contractual provisions regarding health and safety or regularly performs works failing to comply with those provisions, including the provisions of this Section and the provisions of the EHS plan/Plan of work execution, terminate this contract after the Seller fails to correct the identified violations within a reasonable time-frame or prohibit access to Seller's employees who frequently violate the rules, or suspend work until the non-compliance is remedied. In that case, the Purchaser shall have no liability to the Seller or any other third party nor any other consequences regarding the termination of this contract.

**20.13.** The Purchaser is granted with the right of direct monetary remuneration by the Seller, on the basis of an invoice due for payment within 7 (seven) days, in the amount determined by Purchaser at its sole discretion for each case of breach of the statutory or contractual health and safety provisions by the Seller. The Seller waives its right to contest such invoice issued by the Purchaser. In the event of

such breach, the Purchaser is authorized to terminate the Contract and take any other measures, at its sole discretion. This right does not in any way affect Purchaser's right to compensation for damages or any other right deriving from the Seller's behaviour contrary to the statutory or contractual health and safety provisions.

## **21. International Law; Competent Court**

**21.1.** The place of performance for deliveries or services shall be the place of destination. For payments, the place of performance shall be the Purchaser's seat.

**21.2.** All disputes arising from or in connection with the contract shall be settled before the Commercial Court in Belgrade, and the law of the Republic of Serbia shall be applicable. The application of trading customs and practices, conflict of laws of the private international law and the rules of the United Nation Convention on Contract for the International Sale of Goods is precluded. However, the Purchaser shall also be entitled to bring proceedings against the Seller before any other court, e.g. before the Seller's court of general jurisdiction.

**21.3.** The invalidity of individual provisions shall not affect the validity of the remaining provisions of the contract.