SIEMENS

# Conditions of Purchase

Status: 27. March 2024 | Applicable Law of: India

**1. Scope, Order and Confirmation of Order**

1.1 Unless otherwise agreed in writing, these Conditions of Purchase, together with a (system-generated) purchase order (Order) constitute the agreement between the parties, (hereinafter referred to as Agreement). Siemens shall be hereinafter referred to as Customer. The supplier of goods / materials or services or software shall be referred to as Supplier. Customer and Supplier shall be collectively referred to as Parties and individually as Party. For the purpose of this Agreement, "Affiliate" shall mean with respect to any person, any other person that, directly or indirectly, controls, is controlled by or is under common control of such specified person. For the purposes of this definition, "control" means the direct or indirect beneficial ownership of more than fifty percent (50%) of the issued share capital, stock or other participating interest or the legal power to direct or cause the direction of the general management of the company, partnership or other person in question, and "controlled" shall be construed accordingly.

1.2 The Customer may cancel the Order if the Supplier has not confirmed acceptance of the Order (confirmation) in writing within 2 (two) weeks of receipt.

1.3 Any alterations, amendments or additions to the Order shall only become a part of the Agreement if the Customer accepts such in writing. The acceptance of deliveries or services as well as payments does not constitute a deemed agreement.

1.4 Any provisions in other documents provided by the Supplier (such as but not limited to specifications, data sheets, technical documentation, advertising materials, order confirmation and/or shipping documents) regarding legal terms, liability, restriction of use, restriction of application and/or restriction of suitability, or any other provision that changes the provisions of these Conditions of Purchase shall not be applicable. In the event of any terms and conditions given by the Supplier are at variance with these Conditions of Purchase, then these Conditions of Purchase shall prevail. However, if there is any valid agreement subsisting between the Parties specifically superseding these Conditions of Purchase, then such agreed contractual terms and conditions will supersede these Conditions of Purchase, in event of any conflict or otherwise.

**2. Rights of Use**

2.1 The Supplier hereby grants the Customer the following non-exclusive, transferable, worldwide and perpetual rights:

2.1.1 to use the deliveries and services including related documentation, to integrate them into other products and to distribute them.

2.1.2 to install, launch, test and operate software and its related documentation (hereinafter collectively referred to as Software);

2.1.3 to sublicense the right of use under section 2.1.2 above to its Affiliates, to contracted third parties, to distributors and to end customers.

2.1.4 to license to Affiliates and other distributors the right to sublicense the right of use under section 2.1.2 above to end customer(s).

2.2 In cases where the goods being supplied under this Agreement also incorporate a Software as defined under section 2.1.2 above, to use the Software for integration into other products and to copy the Software, or to allow Affiliates, contracted third parties or distributors to use and copy the Software;

2.3 to distribute, sell, hire out, lease, make ready for download or make publicly available the Software, e.g., in the context of application service providing or in other contexts, and to copy the Software to the extent required, always provided that the number of licenses being used at any one time does not exceed the number of licenses purchased;

2.4 to sublicense the right of use under section 2.3 above to Affiliates, contracted third parties and distributors.

2.5 In addition to the rights granted in section 2.1 above, the Customer, Affiliates and distributors are authorized to allow end customer(s) to transfer the respective licenses.

2.6 All sublicenses granted by the Customer must contain appropriate protection for the intellectual property rights of the Supplier in the Software. All sublicenses must contain any contractual provisions used by the Customer to protect its own intellectual property rights.

2.7 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 components.

**3. Term and Damages for Breach**

3.1 Delivery time is the essence of this Order and must be strictly adhered to. The Supplier shall start the manufacturing process after receiving the manufacturing clearance or approval of drawings, as the case maybe, from the Customer. For the purposes of establishing the timeliness of delivery, the relevant point in time is the date of receipt at the place of destination/delivery according to Incoterms ® 2020 designated by the Customer, and for deliveries involving installation, commissioning or rectification services, the relevant point in time shall be the date of acceptance by the Customer. If any delay in delivery or performance or rectification is anticipated, the Customer shall be notified immediately and its decision sought.

3.2 In the event of delay, the Customer may treat this as a breach/default and exercise its rights under section 14, or at its sole discretion: (a) treat the Order as cancelled at any time and recover any loss or damage from the Supplier or (b) without prejudice to the foregoing, the Customer may accept late delivery, subject to a deduction in payment of up to 1% (one percent) of the total Order price for every week or part thereof of the delay but not exceeding a total of 10% (ten percent) of the total value of the contract., towards liquidated damages, which shall not be in the nature of penalty which the Parties have agreed to be the fair and reasonable estimate of the losses suffered by to the Customer.

3.3 Unless otherwise agreed in writing, for any dispatches of goods by the Supplier, it is obligatory for the Supplier to use his own Electronic Way Bill (E-Way Bill) as applicable under the Goods and Services Tax (GST) law, which is valid during the transit period before the goods are delivered at the Customer's site. In the event of any detention of vehicle by the tax authorities due to any discrepancy in the e-way bill or any other documents issued by the Supplier, entire responsibility for release of vehicle and delivery of goods within the agreed timelines would be upon the Supplier. All costs incurred in securing release of vehicle from the tax authorities would be on account of the Supplier.

3.4 Without prejudice to any other rights of the Customer under the Agreement and/or at law, if the Supplier fails or delays to perform its obligations as per the provisions of this Agreement and such breach remains unremedied after being provided an opportunity of not less than 30 (thirty) days by the Customer to the Supplier to rectify the same, the Customer may, at its sole discretion, procure the goods/services from third party sources at the risk and costs of the Supplier. It is clarified that in exercise of its rights, the Customer may, at its sole discretion, require the Supplier to supply to the Customer the raw materials already available with him in which case, the Supplier shall be required to comply with such instructions without any additional costs to the Customer. The provisions of this section shall survive the expiry and/or termination of this Agreement and the Customer shall be entitled to get the balance delivery/(ies) at the risk and cost of the Supplier.

3.5 Additional or other statutory rights are not affected hereby.

**4. Transfer of Risk, Dispatch and Place of Performance, Transfer of Title**

4.1 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 the Customer at the named place of destination / delivery according to Incoterms ® 2020. Unless agreed otherwise, DDP (named place of destination) Incoterms ® 2020 shall apply, if (a) the seat of the Supplier and the named place of destination are within the same country or if (b) the seat of the Supplier and the named place of destination are both within the European Union. If neither (a) nor (b) are fulfilled, then DAP (named place of destination) Incoterms ® 2020 shall apply, unless agreed otherwise.

4.2 Unless otherwise agreed, the costs of adequate packaging shall be borne by the Supplier. In case transportation costs are borne by the Customer, notice of readiness for dispatch shall be given together with the information set out in section 4.3 hereunder. On the Customer's request a Customer routing order tool must be used by the Supplier. Transport shall be arranged by the Supplier at the lowest possible cost, insofar as the Customer has not requested a particular method of delivery or the conclusion of the contract for carriage by the Customer. Any supplementary costs arising from non-conformity with the transport requirements including costs arising from the non-application of the Customer routing order tool shall be borne by the Supplier. In case DAP/DDP (named place of destination) Incoterms ® 2020 is agreed, the Customer 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.

4.3 Each delivery shall include a packing note or delivery note with details of the contents as well as the complete order number.

4.4 As far as the Customer and the Supplier agree that the Supplier orders the transport of deliveries containing dangerous goods for account of the Customer, the Supplier is responsible to transfer the necessary legally required dangerous goods data to the freight forwarder nominated by the Customer when placing the transport order. The Supplier is in these cases also responsible for packing, marking, labelling, etc. in compliance with the regulation relevant to the mode(s) of transport used.

4.5 If the Customer 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.

4.6 Transfer of title shall be upon delivery or payment of the undisputed dues towards the said goods by the Customer, whichever is earlier.

**5. Payment, Invoices**

5.1 Notwithstanding anything contained herein to the contrary, the prices governing this Order shall be firm for all purposes.

5.2 The invoices for goods must be submitted strictly in terms of the Order terms & conditions, in triplicate duly bearing the Supplier's GST registration numbers, supported with the required forms as specified in the order and showing the description of goods, quantity, Purchase Order no. Supplier code number, challan no. and date, e-way bill and vehicle registration no., GRN number with date, gate pass number with date, and value wherever applicable.

5.3 The invoices must be accompanied by the Supplier's challan duly receipted by

the Customer along with copy of e-way bill and lorry receipt. Challan accompanying the goods/services should indicate the Purchase Order number, date, gate pass number and value etc. wherever applicable.

5.4 Payment of service/processing charges for goods delivered, provided they are not rejected by the Customer shall be made as per the terms stated in the Order. Payment falls due after the stipulated/agreed credit period from the date of receipt of tax invoices. Unless otherwise agreed between the Parties in writing, invoices shall be submitted within 4 (four) days from the date of delivery. For local suppliers, Digitally Signed regulatory compliant invoices shall be accepted and processed for payment when sent to the email address as provided under the "Siemens India procedure for electronic invoice submission" (available here[1]) within 4 days from the date of delivery. The Customer shall at all point of time have all rights to deduct from any unpaid bills, debit notes falling due in case any goods/services are rejected online and/or any claims for deductions are raised on the Supplier.

5.5 In the event the Customer is directed to pay any amount due to the Supplier to any Government Authorities by way of a written notice, the Customer shall be free to make payment of any amount due to the Supplier to such Government Authority and provide necessary documents to the Supplier. In such cases, to the extent of such payment, the Customer shall be discharged from its obligation to make payment to the Supplier.

5.6 Supplier who are required to issue an Electronic Invoice (E-Invoice) under the GST law would submit a valid E-Invoice for their deliveries. The Customer reserves the right to reject tax invoices received from a Supplier if it is not complying with the E-Invoicing requirements as mandated under the GST law. In such cases, the Supplier has to mandatorily issue a valid E-Invoice before release of payment by the Customer.

5.7 Without prejudice to other rights of the Customer, the Customer shall be entitled to set-off / adjust / withhold / deduct from any invoice under this Agreement or any other agreement with the Supplier or claim / recover it separately from the Supplier, if the Supplier has defaulted in performance of its obligations under this Agreement and/or has defaulted in performance of its obligations under any of the agreements / contracts / (purchase) orders executed with the Affiliates of the Customer.

The Parties hereby agree that no interest shall be payable by Customer to the Supplier in case of delayed payments and the Supplier expressly waives off any claims against the Customer in this regard.

**6. Inspection of goods**

6.1 The Customer reserves the rights to inspect the goods at any stage during manufacture or supply and reject such portion thereof as may be found defective or not in conformity with the specification or not fit for their intended purpose without invalidating the remainder of the Order, if so desired by the Customer. All rejected goods shall be removed by the Supplier at its own costs within 15 (fifteen) days from the date of rejection note / intimation / challan posted by the Customer to the Supplier. In case of any failure due to any reasons to remove the goods the Customer shall have all rights to remove the defective goods from the Customer's or end customer's premises and discard it. It is clarified that mere carrying out of an inspection by the Customer of the goods under this section shall not amount to acceptance of the goods.

6.2 The Customer under no circumstances will be liable or held accountable for any damage, loss, deterioration of the rejected goods for discarding the goods, or for any value for it. The Customer shall also be entitled to charge an amount of 5% (five percent) (of the value of rejected goods) per week of the delay towards storage charges or actual storage costs incurred by the Customer, whichever is higher. The Customer shall immediately upon receipt at the named place of destination examine whether a delivery corresponds to the quantity and type of products ordered and whether there are any external recognizable transportation damage or other obvious deficiencies.

**7. Warranty**

7.1 All goods duly processed and supplied against the Order should conform to latest Indian Standards or any other specific standards that may be indicated under the Order and/or valid agreement, it should be new, merchantable quality, fit for their intended purpose and should be in line with Quality Assurance Plan, if any, which has to be approved in advance by the Customer. All such goods will be subject to inspection and approval by the Customer, either at the Supplier's premises and/or at the place of delivery indicated by the Customer. The Supplier shall ensure that the goods being supplied under this Agreement are properly packed and dispatched conforming to special instructions, if any, given for safe transport. In case of dangerous goods, the Supplier shall submit details of packing and transportation plan to Customer for confirmation prior to shipment. The goods supplied by the Supplier under this Agreement shall be in strict accordance with the technical specifications as agreed between the Parties under this Agreement. The Parties agree that breach of this provision shall be treated as a material breach of the Agreement and in such an event, the Customer shall, without prejudice to its rights, be entitled to terminate the Agreement by written notice with immediate effect without any liability whatsoever.

7.2 If deficiencies are identified before or during the transfer of risk or during the warranty period provided for in section 7.8 or 7.9, the Supplier must at its own expense and at the discretion of the Customer either repair the deficiency or provide re-performance of services or replacement of deliveries (= rectification). This provision also applies to deliveries subject to inspection by sample tests. The discretion of the Customer shall be exercised fairly and reasonably.

7.3 Should the Supplier fail to rectify (i. e. repair or replacement) any deficiency within a reasonable time period set by the Customer, the Customer is entitled to:

7.3.1 cancel the Agreement in whole or in part without being subject to any liability for damages; or

7.3.2 demand a reduction in price; or

7.3.3 undertake itself any repair at the expense of the Supplier or re-performance of services or replacement of deliveries or arrange for such to be done; and

7.3.4 claim damages in lieu of performance.

For the purposes of establishing the timeliness of rectification, the relevant point in time is the date of receipt at the place of destination.

7.4 The rights according to section 7.3 may be exercised without further deadline if the Customer has a strong particular interest in immediate rectification in order to avoid any liability of its own for delay or for other reasons of urgency and it is not reasonable for the Customer to request the Supplier to rectify the deficiency within a reasonable time period. The legal provisions on the dispensability of setting a deadline remain unaffected hereby.

7.5 Additional or other statutory rights are not affected hereby.

7.6 If the Supplier provides subsequent performance or repairs, the warranty periods set out in section 7.8 and 7.9 shall begin to run once again.

7.7 Notwithstanding the transfer of risk regarding delivery, the Supplier shall bear the costs and risk related to the rectification (e. g. return costs, costs of transport, costs of de- and re-installation).

7.8 The warranty period for deficiencies of goods is 3 (three) years, insofar as no statutory provisions provide longer periods.

7.9 The warranty period for deficiencies in title is 5 (five) years, insofar as no statutory provisions provide longer periods.

7.10 For deliveries not involving installation or commissioning, the warranty period begins to run with receipt at the place of destination named by the Customer. For deliveries involving installation, commissioning or services, the warranty period begins to run with acceptance by the Customer. Upon delivery to locations where the Customer is operating outside its premises, the warranty period begins with the acceptance by the end customer, in no case later than one year after transfer of risk.

**8. Force Majeure**

8.1 For the purpose of this section 8, the term Force Majeure shall mean any event or circumstance or combination of events or circumstances that is beyond the reasonable control of a Party, has a material and adverse effect on the performance by that Party of its obligations under or pursuant to this Agreement, and that could not have been foreseen by the Parties; provided, however, that such material adverse effect could not have been prevented, overcome or remedied by the affected Party through the exercise of diligence and reasonable care. Subject to the foregoing, the Force Majeure include, without limitation, the following events and circumstances but only to the extent such event(s) or a combination thereto, fulfil the requirements as provided under this section 8.1; (a) any act of God, (b) fire, earthquake, floods, or any natural calamities or (c) transportation embargoes, civil commotion, riots, violence, acts of terrorists, state enemies, epidemic or pandemic, (d) any directions / orders passed by any government, judicial, quasi-judicial bodies and/or any other authorities restricting the performance of obligations of the affected Party, whether in part or in full, or (e) any other circumstances beyond the control of the affected Party and which impediment the performance of obligations under this Agreement, whether in part or in full.

8.2 Force Majeure will expressly not include following conditions, except and to the extent that they result from an event or circumstance otherwise constituting Force Majeure:

8.2.1 Unavailability, late delivery or changes in cost of machinery, equipment, materials, spare parts or consumables; or

8.2.2 failure or delay in performance by any subcontractor of the Supplier; or

8.2.3 normal wear and tear or flaws in materials and equipment or breakdowns in equipment; or

8.2.4 any labor unrest / strikes or any other event of the like nature caused by the Supplier (which includes the Supplier's suppliers); or

8.2.5 commercial hardship, fluctuating or unexpected increase in raw material, input or other prices.

8.3 Neither Party shall be liable to the other Party for any delay and/or non-performance of its obligations and any costs, expenses, claims or demands related thereto under this Agreement if such delay and/or non-performance has happened due to occurrence of a Force Majeure.

8.4 The Supplier shall not be entitled to any relief, or be exempted from performance of its obligations under this Agreement for or in respect of a Force Majeure unless it shall have notified in writing to the Customer of the occurrence of the Force Majeure as soon as reasonably practicable, or ought reasonably to have known, of its occurrence, but in no event later than 7 (seven) days from the date of its occurrence

[1] https://new.siemens.com/in/en/company/about/corporate-functions/supply-chain-management.html

and shall have given particulars of the material effect that the Force Majeure is likely to have on the performance of its obligations under this Agreement and shall provide regular reports containing information as required by the Customer. The Supplier shall use diligent efforts to mitigate the effect upon its performance of its obligations under the Agreement.

**9. Supplier's Duty to Verify and to Inform and excess supply**

9.1 The Supplier is obliged to examine components such as, e.g. raw material, provided by the Customer or provided by the Supplier's suppliers, manufacturers or other third parties at the time of receipt of such components as to whether these components show any obvious or hidden defects. In case any defects are discovered in the course of such inspections, the Supplier shall immediately inform its suppliers or - in the case the components are provided by the Customer - inform the Customer.

9.2 It is essential that the products are delivered free of any third-party rights. Thus the Supplier is under a duty to verify title and inform the Customer of any possible conflicting industrial and intellectual property rights. Any breach of such duty is subject to the normal statutory limitation period.

9.3 The specific quantity ordered shall not be changed without the Customer's written consent. Any loss or damage which the Customer may suffer from excess / short supply, if any will be to the Supplier's account in full. The quantum of allowable excess / short supplies shall be agreed in the Order.

9.4 Unless otherwise agreed between the Parties in writing, the Customer reserves the right to vary the quantity up to +/-15% (plus / minus fifteen percent) of the ordered quantity, without any price implication.

**10. Quality Management, Subcontracting to Third Parties**

10.1 The Supplier shall maintain a quality management system (e.g. according to DIN EN ISO 9001).

10.2 Subcontracting to third parties shall not take place without the prior written consent of the Customer and entitles the Customer to cancel the contract in whole or in part and claim damages. Provided that nothing in this section shall affect the right of the Customer to assign its rights and obligations under this Agreement to any third parties without the prior written consent of the Supplier.

**11. Provided Material, Information**

11.1 Material and information provided by the Customer remains the property of the Customer and are to be stored, labeled as property of the Customer and administered separately at no cost to the Customer. Their use is limited to the orders of the Customer only. The Supplier shall supply replacements in the event of reduction of value or loss, for which the Supplier is responsible, even in the event of simple negligence. This also applies to the transfer of allocated material.

11.2 Any processing or transformation of the material and information shall take place for the Customer. The Customer shall immediately become owner of the new or transformed product. Should this be impossible for legal reasons, the Customer and the Supplier hereby agree that the Customer shall be the owner of the new product at all times during the processing or transformation. The Supplier shall keep the new product safe for the Customer at no extra cost and in so doing exercise the duty of care of a merchant.

11.3 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 BOM check (www.BOMcheck.net) or in a reasonable format provided by Customer 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 Customer or at the designated place of delivery requested by Customer. Furthermore, Supplier shall also declare all substances which are set out in the so-called "Customer's list of declarable Substances" applicable at the time of delivery in the manner described above

**12. Tools, Patterns, Samples, Confidentiality**

12.1 Any tools, patterns, samples, models, profiles, drawings, standard specification sheets, printing templates and materials provided by the Customer or made for the Customer, as well as any materials derived there from, shall not be made available to any third party nor used for any other purpose than those contractually agreed except with the prior written consent of the Customer. Such materials shall be protected against unauthorized access or use. Subject to any further rights the Customer may demand that such materials be returned if the Supplier breaches these duties.

12.2 Any and all information and data whether marked "Confidential" or not and inclusive but not limited to the contents of this Agreement, any Undisclosed Price Sensitive Information as defined under The Securities and Exchange Board Of India (SEBI), Prohibition of Insider Trading Regulations (PIT Regulations), 1992 as amended from time to time or any other law for the time being in force, irrespective of the medium in which such information or data is embedded i.e. in written form or verbal or tangible or via electronic communication or proprietary and/or non-public made available to the Supplier by Customer in connection with this Order (Confidential Information) shall be treated as strictly confidential and the Supplier shall not disclose, share the same with anyone. The Supplier shall use said Confidential Information or Undisclosed Price Sensitive Information only for the purposes specified in this Agreement. This confidentiality obligation shall not apply to information which is already in the public domain or becomes available to the public through no breach by Supplier of this confidentiality undertaking.

12.3 The access of such Confidential Information or Undisclosed Price Sensitive Information shall be restricted to the employees who have a need to know it in their scope of employment. In the event Customer has consented to the disclosure of the Confidential Information to a third party, the Supplier shall procure that such third party undertakes to be bound by the confidentiality obligations imposed on the Supplier by this Agreement and shall indemnify and hold harmless the Customer from any damage incurred through the breach of said confidentiality obligation by the third party.

12.4 On demand by the Customer at any time, the Confidential Information or Undisclosed Price Sensitive Information shall be returned forthwith by the Supplier to the Customer. However, the obligations set forth in this section shall survive any termination or expiration of the Order.

12.5 Any person employed by Supplier, its affiliates or its advisers who have been associated with the Customer for this engagement, directly or indirectly, in any capacity, and that allows such person, directly or indirectly or he / she is reasonably expected to have access to Unpublished Price Sensitive Information, shall be deemed to be a "Insider" for the purpose of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations). The Supplier further represents that it has an internal code of conduct to regulate, monitor and report trading by such Insiders and their immediate relatives towards achieving compliance of PIT Regulations (including any amendment or re-enactment or restatement thereof) and shall ensure that the Supplier and the Insiders also comply with those policies and the applicable provisions of the PIT Regulations.

12.6 The Supplier shall reasonably cooperate and furnish all applicable information required by the Customer for the purposes of ensuring compliance with the PIT Regulations.

**13. Intellectual Property Rights and other Rights**

13.1 All rights (including the intellectual property rights such as patents, utility model, trademarks, designs, trade dress, copyright, domain name, etc.) belonging to the Customer in relation to the processed goods / products and/or in the products / raw materials, machines / tools / drawings, etc. furnished by the Customer to the Supplier shall remain the property of Customer and at no time during the currency of this Order or after the termination thereof, the Supplier shall be entitled to claim any rights to or interest in any such Intellectual Property rights or other rights belonging to the Customer.

13.2 The Customer shall exclusively own all right, title and interests in and to intellectual property and know-how including but not limited to inventions, ideas, concepts, designs, source code, logo, marks, domain name, etc., conceived / developed by the Supplier against this Order. In the event that for legal reasons exclusive right, title, and interests in and to the intellectual property and know-how become not vested in Customer according to the preceding sentence, Supplier shall assign and hereby agrees to assign to Customer all right, title and interest in and to the intellectual property and know-how.

13.3 The Supplier shall keep the Customer informed of any such intellectual property and know how conceived during the currency of this Order in relation to the goods/products. The Customer shall be free to apply for statutory protection in any jurisdiction. The Supplier shall not claim any rights to or interest in the intellectual property and know-how belonging to the Customer during the currency of this Order or after the termination thereof. Supplier shall provide timely support to transfer or license to the Customer all rights, title and interest in the intellectual property and know-how as required by the law including execution of Intellectual Property assignments at no-additional costs.

13.4 The Supplier shall not disclose the intellectual property and/or know-how in public domain in any form prior to making an application of statutory protection.

13.5 The Supplier assigns to the Customer worldwide, perpetual, transferable, royalty free, sub-licensable right to use and exploit (make, sell or offer for sale), as the Customer sees fit, any intellectual property rights (e.g., patents, designs) belonging to the Supplier or its affiliates, if any, in relation to the processed goods/products supplied by the Supplier against this Order.

13.6 It is essential that the products are delivered free of any third-party Intellectual Property risk. Thus, the Supplier is under a duty to assess risk from third party Intellectual Property rights and implement precautionary measures to minimize the risk of third party Intellectual Property rights on the products delivered to the Supplier. The Supplier shall inform the Customer of any possible conflicting third party intellectual property rights at the time of delivery of the products along with assessment reports. Any breach of such duty is subject to the normal statutory limitation period.

13.7 The Supplier shall indemnify and keep the Customer, its Director, employees and respective customers indemnified against all losses or damages arising from any alleged or actual infringement of any patent, utility model, trademarks, designs, trade dress, copyright, domain name, etc in respect of any goods processed and supplied by the Supplier against this Order. In addition, all litigation costs, if any, suffered by the Customer from any patent suit shall be reimbursed to the Customer by the Supplier forthwith.

**14. Right to Suspend and Terminate**

14.1 The Customer may, at any time instruct the Supplier to suspend part or all of the deliveries to be made under this Agreement without assigning any reason whatsoever. During such suspension, the Supplier, without any cost to the

Customer, shall protect, store and secure such part or all of the work or goods against any deterioration, loss or damage or other losses. All work so stopped shall be resumed by the Supplier based on a schedule to be mutually agreed upon between the Customer and the Supplier. The Customer shall not be liable to make any payments of whatsoever nature to the Supplier during the period of such suspension. The Supplier shall recommence the works immediately as and when the notice of suspension is revoked. In such a case, the Supplier shall be entitled to a delivery extension period equivalent to the number of days of suspension of the Agreement.

14.2 In addition and without prejudice to other rights and remedies the Customer may have, the Customer may immediately terminate all or part of this Agreement as under:

14.2.1 By a written notice to the Supplier in case of any breach of the terms of this Agreement by Supplier and has failed to remedy such breach within 7 (seven) days from receiving notice from the Customer; or

14.2.2 if Supplier (a) ceases, or threatens to cease, to function as a going concern or conduct its operations in the normal course of business, (b) commences, or becomes the subject of, any bankruptcy, insolvency, reorganization (other than in the course of a corporate re-organization or to an affiliate), administration, liquidation or similar proceedings, (c) makes, or plans to make, a general assignment for the benefit of its creditors, or (d) creditor attaches or takes possession of all or a substantial part of said Party's assets; or

14.2.3 if the Supplier is in breach of its obligations under section 18 or section 20; or

14.2.4 if Supplier is unable to carry out its obligations by reason of Force Majeure events and the force majeure continues for a period more than 120 days or any other period agreed in the valid contract, then Customer may by giving notice in writing, terminate this Agreement with immediate effect and without any liability of to the Supplier; or

14.2.5 if the Supplier indulges in any corrupt or fraudulent practices.

14.3 Notwithstanding anything contained herein to the contrary, the Customer may, terminate all or part of this Agreement without any reason whatsoever by serving a written notice of 30 (thirty) days to the Supplier;

14.4 Subject to section 14.5, upon termination, the sole liability of the Customer towards the Supplier under the Agreement shall be to make payment of undisputed dues in respect of the goods which have been supplied till the date of termination.

14.5 In case the Agreement is terminated due to default or breach of its obligations by the Supplier, the Customer shall not be liable to make any payment whatsoever to the Supplier.

**15. Limitation of Liability**

15.1 Notwithstanding anything contained herein to the contrary, in no event shall either party be liable to the other, whether arising under this Agreement, tort (including negligence), strict liability or otherwise, for any indirect, consequential, special, punitive, exemplary or incidental loss or damages of any nature arising at any time from any cause whatsoever.

15.2 The limitations of liability and exclusion of warranties as set out in the Agreement shall be to the maximum extent permitted by applicable law. Nothing in this Agreement purports to exclude or limit liability for fraud, gross negligence, injury or death, breach of law, statutory penalties and indemnity obligations.

**16. General Conditions**

16.1 The Supplier shall use the machines/ tools/ drawings/ specifications etc. provided to the Supplier exclusively for processing the Customer's products, and the same shall not be used by the Supplier for any other purpose.

16.2 The Supplier shall comply with the provisions of all applicable laws, rules, regulations, notifications, bye laws, circulars and/or any directions issued by any government, administrative, judicial, quasi-judicial and/or other authorities. In case the Supplier is providing site services (whether at Customer' premises or at the premises of the client of the customer) then he shall be responsible to ensure specific compliance to all provisions pertaining to labour welfare legislations as may be notified from time to time.

16.3 Notwithstanding anything contained herein to the contrary, the Supplier shall not, in any manner, cause or cease to perform its obligations under this Agreement on account of any disputes/issues pertaining arising out of any other contract/purchase order with the Customer, or with any of its Affiliates, business units, divisions etc. Any failure on part of the Supplier to perform its obligations under this Agreement, whether in part or in full, shall be treated as a breach on part of the Supplier and the Customer shall be free to avail its rights as available to it under this Agreement and/or at law.

16.4 The Parties confirm that as on the date of execution of this Agreement, they are not related parties under the provisions of the Companies Act, 2013 and the rules framed thereunder, the Security Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) or any other law for the time being in force.

16.5 The Supplier shall ensure that it has in place and maintains in place for the duration of this Agreement sufficient insurance to comply with all applicable laws and to cover its potential liabilities under this Agreement and shall provide evidence of such insurances to the Customer on request. The Customer undertakes that such insurances shall contain waivers of any rights of recourse including, in particular, subrogation rights against the Customer arising out of or in connection with the performance of this Agreement.

16.6 The machines/tools/raw material etc. provided by the Customer to the Supplier shall remain in Supplier's custody as a bailee and the Supplier shall forthwith return the said products/raw materials/machines/tools to the Customer on being so called upon by the Customer. On being unable to fulfil the contractual obligations envisaged herein, the Supplier shall not dispute the monetary value of the machines/tools/raw material etc. decided by the Customer and the Supplier hereby undertake unconditionally and irrevocably on demand without demur to pay the same to the Customer. The total amount determined by the Customer for the material lying with the Supplier shall be admitted by the Supplier as the dues payable by the Supplier to the Customer in terms of money.

16.7 The Customer provides access of its internal Supplier Management Tool called as "i-Tracer" to all its Suppliers. Amongst others, this tool can be accessed by the Suppliers to check the status of their invoices and payment details. It is recommended that the Supplier keep their contact details (such as address, phone no. and email ids) updated by informing the Customer in case they observe any discrepancy or if there is any change in these details.

16.8 The Customer also makes communications with the Supplier through "i-Tracer". It is expected that wherever needed, the Supplier respond back to the communication released to them through "i-Tracer' tool in a timely manner.

16.9 Except with prior written consent of the Customer, the Supplier shall not be allowed to mention the Customer as a reference customer and/or make reference to products or services supplied under this Agreement to any third parties.

**17. Indemnity**

17.1 Without limiting any other remedy of the Customer, the Supplier shall at its own expense, defend, indemnify and hold harmless the Customer its directors, officers, employees, agents and customers from and against any and all loss, cost, expense, damages, claims, proceedings, actions, demands or liability, including legal counsel fees and expenses, incurred or suffered by the Customer resulting from bodily injury, sickness, disease, or death of persons, or damage to property arising out of or in connection with the Supplier's performance of this Order including but not limited to:

17.1.1 breach / non-compliance of the provisions of section 18, or the provisions of section 20; or

17.1.2 negligence or willful misconduct of the Supplier, its employees; or

17.1.3 contractors, suppliers, or agents; or

17.1.4 defects in the workmanship, materials or design of the goods supplied, services or work performed by the Supplier; or

17.1.5 breach / non-compliance of the provisions of section 13; or

17.1.6 failure to comply with the provisions of laws applicable throughout the territory of India; or

17.1.7 technical non-compliance or fraud including but not limited to submission of fake, manipulated, or altered documents, certificates, licenses, permits to Customer; or

17.1.8 breach of any terms and conditions of this Order.

17.2 The indemnity in this section is a continuing indemnity and survives termination or expiration of this Order.

17.3 Without limiting the indemnity contained in this section, if any of the persons employed or engaged by the Supplier or Customer's employees for any action and/or inaction of the Supplier, Supplier persons suffers injury, disablement (full or partial) and fatality or become ill while at the Customer's premises or on site and requires medical treatment and/or transportation, the Supplier shall pay and indemnify the Customer for all costs and liability suffered or incurred by the Customer arising out of or in connection with the provision of or arrangement for such medical treatment and/or transportation.

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

18.1 The Supplier is obliged to comply with the applicable legal systems in force and shall also comply with the provisions of 'Code of Conduct for Siemens Suppliers and Third Party Intermediaries' (Code of Conduct) available here[2]. In particular, the Supplier will not engage, actively or passively, nor directly or indirectly in any form of bribery, in any violation of basic human rights of employees or any child labour. Moreover, the Supplier will take responsibility for the health & safety of its employees. The Supplier will act in accordance with the applicable environmental laws and will use best efforts to promote the Code of Conduct among its Suppliers. The Supplier shall practice national and international competition laws and not to participate in price fixing, bid rigging with competitors. The Supplier shall avoid conflict of interest that can influence business relationship and use of raw materials which directly or indirectly finance armed groups who violate human rights.

18.2 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. The Supplier shall protect the goods and services provided to the Customer' customer or provided to third

[2] URL: https://new.siemens.com/in/en/company/about/corporate-functions/supply-chain-management.html

parties designated by the customer 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.

18.3 Customer and its representatives or a third party appointed by Customer and reasonably acceptable to Supplier shall be entitled (but not obliged) to conduct – also at Supplier's premises – inspections in order to verify Supplier's compliance with the contractual obligations, in particular with the Code of Conduct.

**19. Data Privacy**

19.1 In the course of Customer's dealings with Supplier, Customer may collect personal information of the Supplier, its employees, directors and officers.

19.2 The Customer may disclose and transfer personal information of the Supplier, its employees, directors and officers to regulators and to its customers, suppliers, contractors, employees, service providers, auditors and affiliated companies. Supplier, its employees, directors and officers may access and

19.3 The purpose of such data collection, use, disclosure and transfer of such personal information is to enable the Customer to comply with the law and to conduct its business including without limitation supply of equipment and services to its customers; processing the Customer order; making payments; maintaining and analysing the Supplier's data base; and to perform credit, compliance and other checks.

19.4 Supplier consents to the Customer collecting, using, disclosing and transferring such personal information as outlined above

**20. Environmental Protection, Health Management and Safety (EHS) Requirements**

This section shall be applicable only to Site Suppliers/Contractors who are supplying the goods and also performing the site services or who are performing the site services only at Customer's site or Customer's customer site, or both) and is available here[3]. The Supplier represents to have gone through the contents of the said provisions and has given his consent adhere to the same.

**21. Governing law and Dispute Resolution**

21.1 This Agreement shall be governed by the provisions of laws applicable throughout the territory of India and Parties submit themselves exclusively to the courts of Mumbai, Maharashtra. All disputes arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall at first instance, be resolved amicably through good faith negotiations to be conducted by the representatives of the Parties. Upon request of a Party, a senior management representative of each Party shall participate in the negotiations. Each Party shall be entitled to terminate these negotiations by written notification to the other Party at any time.

21.2 If the dispute is not resolved in accordance with section 21.1 hereinabove, then the same shall be referred to and finally resolved by arbitration under the Arbitration and Conciliation Act 1996, as amended from time to time and the rules made thereunder. A sole arbitrator shall be appointed mutually by both Parties in case the value of claim under dispute is less than INR 100.000.000 (Rupees One-Hundred Million) and if the value of claim under dispute is more than the aforesaid amount, the dispute shall be referred to and adjudicated by a forum of three arbitrators with one arbitrator nominated by each Party and the presiding arbitrator selected by the nominated arbitrators. The language to be used in the arbitration proceedings shall be English and the seat and venue of arbitration shall be Mumbai, India.

21.3 Each party to the arbitration shall submit to the jurisdiction of courts in Mumbai for the purposes of compelling compliance with the above arbitration provisions and for the enforcement of arbitration award made by the Arbitral Tribunal at the time of resolution of disputes referred**.**

**22. Cybersecurity**

22.1 Supplier shall take appropriate organizational and technical measures to ensure the confidentiality, authenticity, integrity and availability of Supplier 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 extent applicable).

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

22.3 Should products or services contain software, firmware, chipsets or integrated circuits: (a) Supplier shall comply with safe, state-of-the-art software development methods including secure coding standards as may be required under applicable Indian Laws and shall also 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); (b) Supplier shall comply with secure software development practices and methods at a minimum by adhering to state-of-the-art secure coding standards and guidelines such a SAFECode's Fundamental Practices for Secure Software Development, NIST's Secure Software Development Framework etc.; (c) Supplier shall continue to support and provide services to repair, update, upgrade and maintain products and services including the provision of patches to Customer remedying vulnerabilities for the reasonable lifetime of the products and services; (d) Supplier shall provide to Customer 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 Customer; (e) Supplier shall grant to Customer the right, but Customer shall not be obliged, to test or have tested products for malicious code and vulnerabilities at any time, and shall adequately support Customer; (f) Supplier shall provide Customer a contact for all information security related issues (available during business hours). Further, if available, the Supplier shall also provide the details of its incident response team in the event any security issues occur in the supplied products and services.

22.4

22.5 Supplier shall take appropriate measures to achieve that its subcontractors and suppliers shall, within a reasonable time, be bound by obligations similar to the provisions of this section.

22.6 Upon Customer's request, Supplier shall provide written evidence of its compliance with this section including generally accepted audit reports (e.g., SSAE-16 SOC 2 Type II). (Cybersecurity Audit Report).

22.7 Customer has the right to yearly audit or have audited the Supplier's compliance with the provisions of this section 22 at the Supplier's relevant site(s) without cause and, in addition, if Customer has a justified suspicion that Supplier is not in full compliance with those provisions, in each case upon reasonable prior notice.

22.8 In the event that Customer's customer requires the Customer to fulfil any additional obligations for cybersecurity, the same shall also be informed to the Supplier from time to time and the Supplier shall comply with such end customer stipulations in addition to the above requirements.

**23. Export Control and Foreign Trade Data Regulations**

23.1 Supplier shall comply with all applicable export and import restrictions, customs, and foreign trade regulations (hereinafter referred to as "Foreign Trade Regulations") in relation to all Services to be provided and/or all Products to be delivered according to this Order. Supplier shall obtain all necessary export licenses pursuant to the applicable Foreign Trade Regulations.
In particular, Supplier represents and warrants that, at the times of Order and delivery, none of the Products nor the Services, provided under this Order contain prohibited products and/or services under the Foreign Trade Regulations applicable to the Customer (including, but not limited to, Council Regulations (EU) 833/2014, 692/2014, 2022/263 or 765/2006 as well as the U.S. Export Administration Regulations (15 C.F.R. Parts 730-774), and import regulations enforced by U.S. Customs and Border Protection).

23.2 Supplier shall advise the Customer in writing as early as possible but not later than two weeks of receipt of this Order and in any case before the delivery of any information and data required by Customer 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 to Customer for each Product]and Service:

23.2.1 the "Export Control Classification Number" according to the U.S. Commerce Control List (ECCN) if the [Product/Service] is subject to the U.S. Export Administration Regulations; and

23.2.2 all applicable export list numbers; and

23.2.3 the statistical commodity code according to the current commodity classification for foreign trade statistics and the HS (Harmonized System) coding; and

23.2.4 the country of origin (non-preferential origin), and, upon request of [Siemens], documents to prove the non-preferential origin; and

23.2.5 the preferential country of origin, and, upon request of [Siemens], documents pursuant to the requirements of the applicable preferential law to prove the preferential origin (e.g. supplier's declaration)

23.3 Export Control and Foreign Trade Data.

23.3.1 In case of any alterations to origin and/or characteristics of the Products and / or Services and/or to the applicable Foreign Trade Regulations Supplier shall update the Export Control and Foreign Trade Data as early as possible but not later than two weeks of receipt of this Order and in any case before the delivery. Supplier shall be liable for any expenses and/or damage incurred by Customer due to any breach of the obligations according to this Article 23.

23.4 Supplier acknowledges that Customer may store technology, know-how, software in object and/or source code, and other technical data, ("Technology"), on Supplier's servers and networks, and such Technology is subject to restrictions under EU, U.S. and local export-control regulations. Supplier shall procure that its employees, including its system administrators, refrain from reviewing, handling, or accessing any Technology without Customer's prior written consent.

23.5 Supplier shall secure Customer's Technology stored on Supplier's servers and networks against unauthorized or unlawful access. In any event, Supplier shall

[3] URL: https://new.siemens.com/in/en/company/about/corporate-functions/supply-chain-management.html

not grant access to or disclose Customer's Technology in or to users from comprehensively sanctioned countries. If Supplier becomes aware of any unauthorized or unlawful access to or disclosure of Customer's Technology, Supplier shall promptly notify Customer of the incident and provide all pertinent details, including, but not limited to, log files and other appropriate analysis data.

23.6 Supplier represents and warrants that Customer's Technology will solely be stored and accessible by users on servers and networks located in India. Provider shall not move or transfer Customer's Technology from the server and network locations set out above to any other destination without Customer's prior approval.

23.7 To the extent applicable, Supplier shall ensure to render the Contractual Services only with personnel / to provide only personnel to Customer who are not listed on the relevant national, German, European or US-Sanctions lists as in particular but not limited to the European Union Consolidated Financial Sanctions List (CFSL) , the U.S. lists issued by the Department of Commerce (Bureau of Industry and Security B.I.S.), the U.S. lists issued by the Department of Treasury (Office of Foreign Assets Controls OFAC).

**24. Export Control and Sanctions Compliance**

24.1 Supplier shall comply with all applicable sanctions, embargoes and (re-) export control laws and regulations, and, in any event, with those of the European Union, the United States of America and any locally applicable jurisdiction (collectively "Export Regulations").

24.2 Prior to any transaction by Supplier concerning goods (including hardware, software, technology and corresponding documentation) delivered by Siemens ("Goods"), or works and services (including maintenance and technical support) performed by Siemens ("Services") with a third party, Supplier shall check and certify by appropriate measures that

i. the Supplier's use, transfer, or distribution of such Goods and Services, the brokering of contracts or the provision of other economic resources in connection with Goods or Services will not be in violation of any Export Regulations, also taking into account any prohibitions to circumvent these (e.g., by undue diversion);

ii. the Goods and Services are not intended or provided for prohibited or unauthorized non-civilian purposes (e.g., armaments, nuclear technology, weapons, or any other usage in the field of defense and military);

iii. Supplier has screened all direct and indirect parties involved in the receipt, use, transfer, or distribution of the Goods and Services against all applicable restricted party lists of the Export Regulations concerning trading with entities, persons and organizations listed therein; and

iv. Goods and Services within the scope of items-related restrictions, as specified in the respective annexes to the Export Regulations, will not, unless permitted by the Export Regulations, be (a) exported, directly or indirectly (e.g., via Eurasian Economic Union (EAEU) countries), to Russia or Belarus, or (b) resold to any third party business partner that does not take a prior commitment not to export such Goods and Services to Russia or Belarus.

24.3 Semiconductor development Supplier will not, without Siemens' prior written consent, use Goods to develop or produce integrated circuits at any advanced semiconductor fabrication facility located in the Peoples Republic of China and further restricted locations meeting the criteria specified in the U.S. Export Administration Regulations, 15 C.F.R. 744.30.

24.4 Upon request by Siemens, Supplier shall promptly provide to Siemens any information pertaining to the Goods that are defense-related or require controlled or special data handling pursuant to applicable government regulations and will use the disclosure tools and methods specified by Siemens.

24.5 Supplier will indemnify and hold harmless Siemens, its affiliates, subcontractors, and their representatives, against any claims, damages, fines and costs (including attorney's fees and expenses) relating in any way to Supplier's noncompliance with this Section, including Supplier's and its third-party business partners' violation or alleged violation of any Export Regulations, and Supplier will compensate Siemens for all losses and expenses resulting thereof.

24.6 Siemens shall not be obligated to fulfill this Order 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.

**25. Reservation Section**

The Customer shall not be obligated to fulfill the 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.

**26. Tax Compliances**

Supplier shall discharge all the taxes, cess and duties including but not limited to GST which are charged on an invoice/claimed from the Customer and payable to the Government on or before the respective due dates. Supplier is also required to ensure complete compliances in this regard as per the applicable law in force in India. In the event of any default noticed by the Customer in adhering to the aforementioned obligations, either from its own enquiry basis the data available from GST Network (GSTN) portal or from an enquiry from any statutory authority or on account of any disallowance of any input tax credit to the Customer, the Customer reserves its right to recover or deduct (including protective recovery or deduction), the tax amount so defaulted along with interest and penalty as per the applicable laws, without prejudice to any other remedies available to the Customer. Furthermore, the payments will be released to you only after all the relevant documents as required by the Customer and the statutory authorities to receive the tax input credit has been duly submitted by Supplier to the Customer.