

SYNTAX – General Terms & Conditions of Procurement



§ 1 Scope

Unless expressly stipulated otherwise in writing, these Terms and Conditions of Procurement for orders from Syntax Systems GmbH & Co. KG (SYNTAX) apply to all orders, sales contracts and procurement contracts to a **SUPPLIER** by SYNTAX and its affiliated company Syntax Service GmbH and, if applicable their legal successor. They also apply to the future business relationship with the supplier, even if not expressly agreed again..

Deviating general terms and conditions and other third-party (supplier) conditions are hereby expressly excluded or only binding for SYNTAX to the extent that they comply with their own terms and conditions or SYNTAX has agreed to them in writing. The acceptance of deliveries or services or the making of payments is not to be interpreted as such consent.

§ 2 Conclusion of Contract

The supplier must submit his offer in accordance with SYNTAX' request. Any deviations must be expressly pointed out. The offer is free of charge and non-binding for SYNTAX.

A contract between SYNTAX and the supplier is concluded when (i) SYNTAX accepts the services offered by the supplier by means of a written declaration or (ii) the supplier accepts the written order from SYNTAX by means of a written order confirmation or provision of services.

If the supplier's order confirmation is not received by SYNTAX within two (2) weeks of receipt of the order on the part of the supplier, SYNTAX is entitled to revoke the order free of charge within two weeks of receipt of said order confirmation.

Oral agreements, amendments and additions are only binding for SYNTAX if and to the extent that they are expressly confirmed in writing by SYNTAX. Agreements with representatives only become legally valid if they have been confirmed in writing by SYNTAX.

§ 3 Extended Written Form

Written declarations, in particular orders, contracts and order confirmations, are equivalent to machine-generated documents generated by appropriately automated ordering systems / ERP systems. Such declarations are identified by the note "This document is machine generated and, therefore, does not contain a signature." Such machine-generated documents can be sent by the system itself or by email with the document attached in PDF format. For such machine-generated documents as well as for the order confirmation and acceptance of an order by email by the supplier, the parties agree that the written form requirement according to this section is binding.

§ 4 Type, Scope, and Service Changes

1. The scope of services is determined by the respective order and these terms and conditions of procurement. Unless otherwise agreed, the following order applies to all orders from SYNTAX:

- the order and within the order:
 - the description of services contained therein,
 - general technical requirements / conditions stipulated in the order,
- these SYNTAX Terms & Conditions of Procurement.

2. If instructions for use or operation, or any other documentation are required for the use of the supplier's service, these are to be made available in German or English version - unless otherwise agreed – and part of every service to be provided.

3. SYNTAX can subsequently request changes to the quality of the agreed services.

4. In the event of a change request by SYNTAX under § 4 Clause 3, the supplier will notify in writing within ten working days whether the change is possible and what effects it will have on the order, in particular taking into account the additional or reduced effort, any new prices and possible change in deadlines. SYNTAX will inform within ten working days whether an

agreement has been concluded on the new conditions based on the change request or whether the existing order will continue to be carried out.

5. During or before the review of the proposed change by the supplier, SYNTAX will inform the supplier whether the service is to be continued until the final decision on the proposal has been made according to the existing order or discontinued.

6. The supplier must immediately submit a detailed and justified written proposal to SYNTAX regarding necessary deviations from the execution of the service provided for in the order, in particular technical changes. They are only permissible if SYNTAX has agreed to the deviation in writing. This also applies if the intended deviation does not result in a price change.

§ 5 Place of Fulfillment, Delivery, Dispatch, Transfer of Risk

1. The place of fulfillment is the delivery address stated by SYNTAX in the order. The most favorable transport options for SYNTAX are to be selected, unless specific transport regulations have been expressly agreed. Deliveries are to be packed in such a way that transport damage is prevented.

2. Every service must be documented by a proof of performance (e.g. proof of activity, delivery confirmation, declaration of acceptance) including the specification of the order reference / order number, which is signed by an authorized SYNTAX employee or approved using alternative SYNTAX processes (e.g. electronic workflow and approval systems). In addition to the shipping address, the order details must be given in the transport documents (order no., order items, order date, delivery point, if applicable first and last name of the recipient and SYNTAX material no.).

3. The supplier must observe the current state of the art and the respectively valid legal and official regulations as well as Syntax' operational rules and regulations. As far as applicable, the supplier maintains a quality assurance system, e.g. in accordance with DIN EN ISO 90019003. SYNTAX is entitled to check the system after consultation with the supplier.

4. The supplier bears the costs resulting from misdirection of deliveries insofar as the misdirection is attributable to him.

5. The supplier is only entitled to partial deliveries / services with the written consent of SYNTAX. The written form required in this paragraph is also permissible by fax or communication by electronic means.

6. Partial deliveries are generally excluded for servers and other complete systems (desktops, laptops, etc.).

7. The risk is only transferred to SYNTAX when the delivery is handed over. In addition, the statutory provisions apply to the transfer of the risk of performance, unless otherwise agreed.

§ 6 Costs, Invoices, Payment

1. Unless otherwise agreed, the transport and the usual packaging costs are borne by the supplier.

2. Insofar as the price is stated ex works or ex delivery warehouse of the supplier, if SYNTAX has not specified another mode of transport, the more cost-effective alternative is to be selected. Any additional costs due to non-compliance with transport regulations are borne by the supplier. Insofar as the price was specified free delivery location, SYNTAX is also entitled to determine the mode of transport. Any additional costs arising as a result of accelerated transport to meet a specific delivery date are borne by the supplier.

3. Invoices must contain the order number and the numbers of all individual items. The obligation to pay only arises when this information and the proof of delivery are complete. Invoice copies and partial invoices are to be marked as such.

4. Unless otherwise agreed, the following payment terms apply:

Payment within 60 days, net.

5. The respective payment deadlines are calculated from the date on which the deliveries or services have been provided in full and a properly issued invoice has been received. The above discounts also apply if SYNTAX offsets payments with claims or withholds an appropriate part of the payment due to identified defects. The discount periods are calculated from the date following the removal of the said defects..

6. Effecting payment does not constitute tacit acceptance of the respective deliveries or services.

§ 7 Delivery and Performance Time

1. The delivery or service dates specified in the order are fixed dates, unless expressly agreed otherwise. The supplier is obliged to notify SYNTAX immediately in writing if circumstances arise or become apparent to him that indicate that a deadline cannot be met.

2. The supplier will inform SYNTAX in writing of foreseeable delays or the threat of exceeding the deadlines, stating the reasons, as soon as they become apparent to him.
3. Insofar as a cause for which the supplier is not responsible affects the fulfillment of the contract, the supplier can demand an appropriate postponement of the dates concerned, provided that the cause originates from SYNTAX.
4. Otherwise, § 13 applies.

§ 8 Sub-Contractor

1. The use of subcontractors and freelancers (agents) requires the prior written consent of SYNTAX. This also applies if the company entrusted with the execution of the service belongs to the same group as the supplier or if the supplier is involved in the company. The supplier must impose all obligations on the agent with regard to the tasks he has taken on and ensure the compliance which he has taken on towards SYNTAX.
2. The supplier must not prevent his agents from concluding contracts with SYNTAX for other deliveries / services.

§ 9 Obligation to Examine and Notify

SYNTAX only checks the service on delivery with regard to obvious defects (type / identity, amount, any transport damage, other externally visible damage). In addition, SYNTAX is exempt from the obligation to examine and notify in accordance with Section 377 of the German Commercial Code (HGB). Insofar as SYNTAX has an inspection and notification obligation in accordance with Section 377 of the German Commercial Code, the deadline for notification of a discovered defect is at least ten working days from discovery of the defect.

§ 10 Acceptance

1. Confirmation of receipt of products by SYNTAX at the time of delivery does not constitute acceptance of the goods.
2. The products must comply with all of the descriptions, features and specifications listed in the order or contract and meet all relevant health and safety regulations, as well as all other statutory and other regulations.
3. The supplier must carry out random checks to ensure that the products meet the relevant industry standards and also SYNTAX' quality requirements or other standards agreed between the parties.
4. Depending on the nature of the service, partial acceptances can be agreed. SYNTAX reserves the right to accept completely.

§ 11 Material and Legal Defects

1. The supplier guarantees that the service has the expressly agreed characteristics or, if no characteristics have been agreed, is suitable for the contractually stipulated, otherwise normal use and has a quality that is customary for deliveries and services of this type and which the customer can rightly expect with deliveries and services of this kind and that the transfer of the agreed powers to the customer (§ 17) does not conflict with any third-party rights..
2. SYNTAX is entitled to the full statutory warranty claims. The statutory warranty claims become statute-barred, unless the law provides for longer periods, within 24 months after delivery / acceptance of the service. The warranty period is extended by the time during which the service cannot be used as intended due to the defect..
3. If the delivery item is newly delivered, fully or partially improved or replaced, the warranty period begins again for the newly delivered, replaced or fully or partially improved item.

§ 12 Liability

1. The supplier's liability is based on the statutory provisions. In particular, the supplier undertakes to indemnify SYNTAX against all third-party claims which may be raised against SYNTAX due to the supplier's services or insufficient performance by the supplier, as well as the associated costs and expenses. SYNTAX will inform the supplier in good time about the assertion of such claims by third parties and will not make any payments or acknowledge claims without consultation.
2. The supplier guarantees that he himself and all subcontractors or chains of subcontractors (hereinafter referred to as "chain of subcontractors") as well as any other hiring agencies commissioned by them will pay the workers employed the applicable minimum wage according to the Minimum Wage Act (hereinafter referred to as "MiLoG"). In addition, the supplier confirms that his company and the companies he employs in the subcontracting chain are not excluded from awarding public contracts under Section 19 MiLoG.

As part of the examination of the supplier's offer, SYNTAX is entitled, without specific reason, to randomly request the submission of current pay slips of the workers employed by the supplier and the subcontractor chain in anonymous form (wage and salary lists). The supplier can provide evidence of compliance with the MiLoG himself and along the subcontracting chain upon request by immediately submitting current confirmation from a suitable objective expert (e.g. an auditor) to SYNTAX.

If a claim is made against SYNTAX by an employee of the supplier in the subcontractor chain due to an actually existing claim for remuneration in accordance with the MiLoG, the supplier undertakes to pay SYNTAX a contractual penalty of EUR 250 upon first request for each claim. The contractual penalty to be paid is offset against any claim for damages by SYNTAX and is limited to a maximum of 10% of the respective order value and a maximum of EUR 25,000 per calendar year. There is no obligation to pay the contractual penalty if the supplier is not at fault, for which he bears the burden of proof..

Sollte SYNTAX durch einen Arbeitnehmer des Lieferanten der Nachunternehmerkette aufgrund eines tatsächlich bestehenden Vergütungsanspruchs nach Maßgabe des MiLoG in Anspruch genommen werden, so ist SYNTAX berechtigt, Bestellungen gemäß § 1 außerordentlich und damit fristlos zu kündigen.

The supplier is obliged to exempt SYNTAX from any claims that third parties may assert against SYNTAX in connection with violations of the MiLoG upon first request. However, this does not apply if SYNTAX and / or employees or vicarious agents of SYNTAX can be shown to have intentionally or grossly negligently violated the regulation of the MiLoG in this individual case.

§ 13 Default

If the supplier is in default with a delivery or service for reasons for which he is responsible, SYNTAX can, if SYNTAX can plausibly demonstrate that it has suffered damage as a result, after the expiry of a grace period of 1 week, demand a lump sum compensation for delay per full week of delay of 0.5%, maximum 5% of the remuneration to be paid for this delivery or service. Further claims for damages due to delay are not excluded.

If the supplier is more than 4 weeks in arrears with a delivery or service, SYNTAX is entitled to withdraw from the contract and claim back the payments made up to that point, excluding further claims.

Without prejudice to this right of withdrawal, SYNTAX remains entitled to lump-sum compensation for delay or a higher amount of compensation in accordance with part 1 of this section.

The supplier reserves the right to prove that the damage did not occur at all or that it is significantly lower than the flat rate..

§ 14 Insurances

1. The supplier shall take out suitable insurance with sufficient asset coverage; with a minimum coverage of at least EUR 1.5 million per damage event, for the duration of the contractual relationship.

Upon request by SYNTAX, the supplier shall provide evidence of such insurance. Insured amounts lower than the minimum insured amount must be agreed with SYNTAX in individual cases.

2. All shipments sent directly to SYNTAX (e.g. deliveries based on sales contracts, factory deliveries, maintenance orders or custom-made products) must also be insured by the supplier. The supplier bears any premiums for such damage insurance or other self-insurance..

§ 15 Data Protection

1. The supplier consents to SYNTAX storing, processing and transferring personal data of the supplier to companies of the Freudenberg Group, insofar as this is necessary for the fulfillment and processing of the order. In this event, SYNTAX will comply with the EU General Data Protection Regulation (DGSVO).

2. If the supplier has to process personal data in his work under the contract, the supplier will comply with the provisions of the GDPR, agree data backup measures with SYNTAX and enable SYNTAX to convince itself that these agreements are being observed. The order processing conditions to be stipulated in writing in accordance with Art. 28 DGSVO will be agreed in a separate document if necessary.

3. The supplier shall impose an obligation corresponding to Clauses 18.1, 18.2 and 15.1 on those employees of his company who are involved in the execution of the contract and third parties involved in the execution of the contract.

§ 16 Non-Assignment Clause

Assignments of the scope of application of § 354 a HGB are excluded. Exceptional cases require the written consent of SYNTAX to attain effectivity. SYNTAX will only refuse to approve an assignment for financing purposes for good cause.

§ 17 Rights

1. The supplier carries out the service under his own responsibility according to the order. The supplier guarantees that the delivery and use of the delivery items and / or the work produced will not infringe any third party patents or property rights.

2. If specifications of SYNTAX

in the description of services, in the associated drawings, technical specifications or other documents pertaining to the definition of the service can lead to the infringement of industrial property rights, the supplier is obliged to inform SYNTAX immediately in writing and release SYNTAX of all claims by third parties, which are raised against SYNTAX as a result of the violation of these rights.

3. SYNTAX is entitled to the exclusive and comprehensive property rights and copyrights on all images, drawings, calculations and other information that are made available to the supplier for the production of the delivery / service item by SYNTAX directly or by third parties commissioned by SYNTAX or that are produced or developed by the supplier when the order is created and carried out.

§ 18 Confidentiality

1. All information that has been designated in writing or orally by a contractual partner as confidential, in particular documents, drawings, knowledge or other business and company secrets, is treated by all other contractual partners confidentially and only used for the purpose of fulfilling the order. This confidentiality agreement does not apply to information,

- which has become accessible to the general public without any action on the part of the recipient party or
- which can be shown to have been known to the recipient when the information was provided or
- which the recipient has received from an authorized third party or
- which is based on knowledge acquired independently of information from the other contractual partner.

2. Documents, software and / or programming code, information or other aids made available to the supplier, remain the exclusive property of SYNTAX and may only be used for the execution of the underlying order.

The supplier is not entitled to reproduce these items without the prior consent of SYNTAX, to pass them on to third parties or to make the content known to unauthorized persons. The documents, software and / or programming code, information and other aids supplied by SYNTAX and created by the supplier are to be returned to SYNTAX unsolicited after completion of the work or after the expiry of a subsequent maintenance obligation, including duplicates made. Software copies made available to the supplier by SYNTAX for completion of the work are to be destroyed. SYNTAX can request a corresponding declaration of completeness.

3. The obligation of confidentiality continues for a period of three (3) years after completion of the contract.

4. The supplier will not derive any rights, in particular no prior rights of use, from the knowledge of the information, documents, etc. received with regard to property rights registrations, inventions or other protected knowledge of SYNTAX, regardless of any deadlines stipulated in patent laws.

§ 19 Publication / Advertising

An evaluation or disclosure of the existing business relationship with SYNTAX on the part of supplier, in particular in publications or for advertising purposes, is only permitted with the express prior written consent of SYNTAX.

§ 20 Contract Termination, Termination of Agreement

1. If an order ends prematurely, the supplier will only receive the agreed remuneration for the individual services provided and accepted by SYNTAX up to the receipt of the notice of termination / declaration of withdrawal. If SYNTAX terminates the contract for an important reason for which the supplier is responsible, the supplier shall only be remunerated for the individual services rendered by SYNTAX up to the date of receipt of the termination. Further claims by the supplier are excluded. SYNTAX' rights from the fact that the supplier is responsible for the premature end of the order, in particular claims for compensation for damage and additional expenses, remain unaffected. SYNTAX acquires all rights to the remunerated partial services in accordance with § 17.

2. SYNTAX can withdraw from the contract or terminate the contract with immediate effect,

■ if the supplier breaches the obligations laid out under §§ 4, 15, 17 and 18 of these General Terms and Conditions;

■ if insolvency proceedings have been opened against the supplier's assets or the opening of the proceedings has been refused in the absence of an insolvency estate commensurate with the costs of the proceedings, or if the supplier does not only temporarily suspend his payments or services. SYNTAX is entitled to terminate the contract upon receipt of an application to open insolvency or settlement proceedings at the court.

3. The commissioning of work (§ 631 BGB) or work delivery services (§ 651 BGB) can be terminated by SYNTAX at any time up to the completion of the work or the delivery of work in accordance with § 649 BGB. Deviating from the legally regulated consequences of termination, the provisions of the preceding paragraphs apply.

4. SYNTAX can withdraw from the order for deliveries at any time for good cause until the delivery is handed over. In this case, the above paragraphs apply accordingly.

§ 21 Final Provisions

1. The contract language is German. German law applies. Customary clauses are to be interpreted according to the applicable Incoterms.

2. If the supplier is a merchant according to the German Commercial Code, a legal entity under public law or a special asset under public law, Weinheim is the exclusive place of jurisdiction for all disputes arising from the contractual relationship. In addition, SYNTAX is entitled to sue at the court representative at the location of the supplier's headquarters.

3. If the supplier is based abroad, German law is agreed to under exclusion of the conflict of laws and the UN sales law.

4. SYNTAX has the right to transfer all rights and obligations from the contractual relationship with the supplier to affiliated companies in accordance with Section 15 of the German Stock Corporation Act.

5. Changes to the contractual agreements must be made in writing. Oral ancillary agreements have not been made..

Syntax Systems GmbH & Co. KG

Weinheim: May 2019

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