

# General Terms and Conditions for Purchasing by the Deutsche Telekom Group (GTC Purchasing)

## Part A: Deutsche Telekom Group applicable terms

### 1. Area of Application

- (1) These General Terms and Conditions for Purchasing (hereinafter referred to as "GTC Purchasing") and any other contractual terms and conditions indicated in the Order (as defined below) shall apply exclusively to the Order and to the exclusion of any other terms that Contractor seeks to impose, incorporate, or which are implied by trade, custom, practice or course of dealing.
- (2) Only orders, calls, contracts, etc. (hereinafter referred to as an "Order") and other declarations of intent which are placed in writing by a procurement unit of Deutsche Telekom AG (hereinafter referred to as "DTAG") or a group company within the meaning of number 1 (3) (hereinafter referred to as "Customer") shall be legally valid. The requirement of written form in the sense stated above is also satisfied by communication methods provided electronically, by fax or e-mail or electronic communication methods provided by Customer for handling purchasing transactions, including full integration, web-based applications or declarations transmitted via an Order Management Tool. An electronic declaration of intent is received on the day on which it is available for retrieval by the recipient under its electronic address during normal business hours; otherwise, it is received on the next business day. In the event that a special electronic communications method provided by Customer to handle purchasing transactions is used, the relevant terms and conditions of use of the Deutsche Telekom Group shall apply to such electronic communications methods provided by it ("NB e-commerce" published on [www.telekom.com/en/company/global-procurement](http://www.telekom.com/en/company/global-procurement)).
- (3) If Customer and Contractor have entered into a frame agreement with reference to these GTC Purchasing, DTAG and all companies affiliated worldwide in which DTAG, directly or indirectly, holds at least 25% of the shares and/or has management control shall be beneficiaries and thus shall be entitled to place Orders under such frame agreements.

### 2. Parts of the Agreement, Order of Precedence

The following documents shall be integral parts of the agreement in the order of precedence as set forth below:

- a. the Order;
- b. the specifications;
- c. these GTC Purchasing (consisting of Part A and country specific terms and conditions set out in Part

- B, while in case of inconsistencies Part B shall prevail); and
- d. the "Supplier Code of Conduct (DTAG Supplier Code of Conduct)" "in its most current version (hereinafter referred to as "Code of Conduct", published on [www.telekom.com/en/company/global-procurement](http://www.telekom.com/en/company/global-procurement)).

### 3. Environmental Protection and Information Security

- (1) The Contractor shall adhere to all applicable laws, regulations, decrees and ordinances with respect to the delivery of goods or the provision of services.
- (2) Contractor is obliged to take back, free of charge, the packaging material and to collect and dispose of it in compliance with local law. Upon request, Contractor shall provide proof of such disposal. If Contractor fails to comply with this obligation, Customer is entitled to have the collection and disposal undertaken at Contractor's expense. Contractor will inform the Customer at latest by Order placement if the Customer will exceptionally be seen as distributor of packaging materials.
- (3) Contractor is obliged to meet all obligations arising from local packaging regulations and provide Customer with proof thereof on request and assume Customer's obligations arising from such packaging regulations and, if such obligations are not transferable, support Customer in meeting these obligations free of charge. Should, by way of exception, Customer be regarded as the initial distributor who puts sales packaging filled with goods and typically arising at the private end consumer into circulation for the first time, Contractor shall be obliged to inform Customer of this fact at the latest at the time of placing the Order.
- (4) Contractor ensures to comply with all the obligations regarding Registration, Evaluation, Authorization and Restriction of Chemicals (hereinafter referred to as "REACH Regulation") imposing on Contractor and Customer at its own expense. If, according to the REACH Regulation, such obligations are not transferable from Customer to Contractor, Contractor shall immediately inform Customer thereof and support Customer free of charge in meeting such obligations to the maximum extent possible. If Contractor's registered office is outside of the European Union, Contractor shall, at its own expense, appoint a representative registered within the European Union that shall comply with the

obligations under Article 8 of the REACH Regulation and inform Customer about such appointment.

- (5) The Contractor shall adhere to the Customer's requirements for information security and, if stipulated in the specification, document the application of an information security management system in accordance with ISO/IEC 27001 or comparable.
- (6) Regarding further specific rules see Part B: Country specific terms.

#### **4. Integrity and Cooperation**

- (1) DTAG has designed core principles and values which demonstrate DTAG's willingness to share its business ethics, the social and environmental commitments with its suppliers. The Contractor agrees to take all necessary measures to prevent and to sanction any case of active or passive corruption. Details are set forth in the Code of Conduct.
- (2) Contractor shall immediately notify Customer in writing as soon as it becomes aware of any actual or likely breach of the Code of Conduct within its area of responsibility, and in particular, to avoid anything that might harm Deutsche Telekom's Group brand image or endanger its security of supply.
- (3) Contractor is obliged to comply with the security provisions of Deutsche Telekom Group (published on [www.telekom.com/en/company/global-procurement](http://www.telekom.com/en/company/global-procurement)) which apply to Contractors and their vicarious agents, and to inform the persons and/or subcontractors deployed to provide the service and to oblige them to do the same.
- (4) If work is to be performed at Customer's security-sensitive sites, Contractor shall ensure that only staff who have passed the security check in accordance with local security clearance checks are employed.
- (5) Regarding further specific rules see Part B: Country specific terms.

#### **5. Terms of Delivery, Scope of Services, Prices**

- (1) The price agreed upon in the agreement is either a fixed price or a maximum price (total net) including in each case delivery "free place of destination". The price covers the entire transport, insurance, packaging and other incidental costs and charges through to delivery/setting-up ready for service at the place of receipt/installation site indicated by Customer, unless otherwise agreed.
- (2) Unless explicitly agreed otherwise, in case of deliveries from abroad the delivery clause "DDP excl. Import VAT" (Incoterms 2010) named place of destination shall apply, so that import VAT shall be borne by Customer.

- (3) The price includes the costs of any installation, integration and transference work which may become necessary and which shall be performed by Contractor without disturbing current operations. If necessary this work shall be undertaken outside normal working hours.
- (4) The relevant instructions for the operation, handling, use and service and other documents shall be delivered in the language customary in the country of Customer's contracting unit. The instructions and documents are included in the price.
- (5) Every delivery shall be accompanied by a delivery note or a proof of performance. Delivery notes, proofs of performance and, if specifically agreed, dispatch notes, must contain:
  - number, reference number and date of the Order,
  - number of any partial delivery/partial performance;
  - number and date of the delivery note/proof of performance;
  - date of dispatch/ service provision;
  - any information on the type and size of the delivery/service provision along with materials numbers and item numbers specified in the Order; and
  - mode of dispatch.
- (6) If invoicing on an hourly or daily basis is agreed, no further costs in relation to travel, waiting times and/ or travel expenses shall be payable.
- (7) Contractor shall offer DTAG and its group companies within the meaning of number 1(3) its products, work and/or services at the most favorable terms, conditions and prices which Contractor grants to DTAG itself and/or any company of its group worldwide with regard to quantity, quality and market conditions for comparable products, work and/or services. DTAG and its group companies reserve the right to exchange the respective information.

#### **6. Time of Performance**

- (1) The agreed time of performance is binding.
- (2) Early and/or partial performance requires Customer's express written consent. Any performance effected prior to the agreed date shall not affect the start of a payment period linked to the date of performance.
- (3) Contractor shall immediately inform Customer in writing if circumstances arise or become noticeable which could result in failure to meet the agreed time of performance.
- (4) The provision of the products, work and/or services in a condition eligible for acceptance shall be authoritative

for determining whether the performance has been provided duly on time.

#### **7. Rescission or Termination for Good Cause**

(1) Either party may in particular rescind or terminate the agreement for good cause, if a petition for insolvency proceedings has been filed with the court, the other party has suspended payments on a not merely temporary basis, ceases its business operations or the part thereof relevant for the contractual performance, or if a similar event occurs which corresponds to the aforementioned situations under the laws in effect at the place of business of the affected party.

(2) Regarding further specific rules see Part B: Country specific terms.

#### **8. Liability for Defects**

(1) In case of an epidemic failure (frequency of errors significantly above the error frequency rate specified or to be expected normally), Customer shall be entitled to demand that all delivery items in the series concerned be replaced free-of-charge, regardless of whether the defect has already become apparent or not with regard to an individual item of that series. In addition, Contractor shall compensate Customer for any additional costs and expenses that it may have incurred as a result of the epidemic failure (including, but not limited to, the costs and expenses for inspections of incoming goods, logistics, etc.). Customer's other rights and remedies shall remain unaffected.

(2) Regarding further specific rules see Part B: Country specific terms.

#### **9. Rights of Use**

(1) Contractor shall grant Customer the non-exclusive, global, irrevocable, transferable, worldwide and unrestricted right of use of the software covered by the agreed remuneration to fully use the software included to perform the functions included in its scope of service. Customer may at any time obtain further licenses with the same rights of use. Customer may make copies to the necessary extent for training, back-up and archival purposes.

(2) To the extent that the performance involves an individual service for Customer, Customer shall obtain an exclusive, irrevocable, transferable right of use which is not limited in time, territory or content and which is covered by the remuneration. Such right of use includes (without being limited to) the right to publish the documents completely or parts thereof, and duplicate, alter or process them including (without being limited to) making further use of them for follow-up agreements with third parties.

(3) Contractor is obligated to immediately – at latest upon the delivery of goods or the provisioning of services - notify Customer in writing if open source software is to be used and which licensing terms and conditions shall apply. Number 10 shall apply accordingly.

#### **10. Third Party Right**

(1) Contractor guarantees that no intellectual property rights of third parties exist which conflict with the intended use of the contractual services by Customer and that no further licenses, approvals, consent or payments are required in association with intellectual property rights of third parties so that Customer can use the contractual services as stipulated in this Agreement or in the relevant Order.

(2) Each party shall immediately notify the other party of any claim related to said third party intellectual property rights made or threatened against the other Party and/or if it becomes aware of any infringement or alleged infringement of any third party rights in connection with the contractual services.

(3) On written request, Contractor shall fully indemnify Customer from any and all legal actions, demands, costs, charges, losses, claims and expenses suffered by Customer as a result of the infringement or alleged infringement of any third party intellectual property rights. In addition to these duties, Contractor may, at its own discretion and at its own expense either:

- (a) modify or replace the services in a way that prevents third party rights from being infringed or allegedly infringed, however which ensures that the services continue to comply with the contractually agreed requirements in all respects; or
- (b) obtain the right for Customer to (further) use of the services in accordance with the agreement.

(4) If Contractor fails to cease the infringement of third party intellectual property rights, Customer shall (at its sole discretion) be entitled to withdraw from the relevant Order and to make claims for compensation or for a corresponding reduction of the purchase price and/or the licensing fee.

#### **11. Confidentiality, Data Protection**

(1) Both parties shall treat in confidence all information from the business of the other party of which they become aware through the business relation and which is not generally available. Such information shall not be used for their own or third parties' purposes. The aforementioned confidentiality obligations shall not apply within Deutsche Telekom Group.

(2) Contractor shall comply with secrecy of telecommunications and data protection provisions and, in particular, the protection of personal data. In the event that the Contractor processes personal data on behalf of the Customer, the Contractor agrees to

conclude with the Customer an "Agreement on Commissioned Data Processing (CDPA)" in accordance with the Customer's current model agreement.

- (3) All documents made available to Contractor by the Customer shall remain Customer's property. Upon Customer's request Contractor shall return or destroy the documents together with all copies.
- (4) Contractor undertakes to explicitly and demonstrably inform its employees, vicarious agents and subcontractors that Customer may collect and process the following personal data on them for the purposes of guaranteeing statutory regulations and its legitimate business interests: title, surname, first name, date of birth, street, zip code, town and country.
- (5) Any mention of Customer as a reference shall require Customer's prior express consent in writing. Once granted, this consent shall continue to be valid until it is withdrawn. Customer shall be entitled to withdraw such consent at any time without notice and without stating the reasons.
- (6) The obligations in this number 11 shall continue after the expiry of the agreement.
- (7) Regarding further specific rules see Part B: Country specific terms.

#### **12. Performance of the Agreement by Third Parties**

- (1) The deployment of third parties as subcontractors shall require the prior written consent of Customer.
- (2) If Customer gives its consent, Contractor shall ensure that all subcontracts awarded under the relevant Order are drawn up in such a manner that Contractor is fully able to meet its obligations to Customer.
- (3) Contractor's liability shall remain unaffected by the subcontracting, the information on the structure of the subcontracting relationship or the consent to this by the Customer.

#### **13. Independent Service Provision**

- (1) Contractor shall provide the contractual services independently and on its own responsibility.
- (2) In principle, the Contractor is free to choose the place of performance in providing its services. However, if the project requires the services to be provided, in part, on Customer's premises, Contractor shall be prepared to provide the services to this extent in the relevant facilities; the parties shall agree on the relevant place of performance, taking the project requirements into account.

- (3) Contractor is solely responsible for providing instructions to its employees and those of the subcontractors it engages. Contractor is free to organize the provision of its services and to schedule its activities. If required by the project Contractor shall cooperate with other parties involved in the project to coordinate activities and meet agreed deadlines.

#### **14. Invoices, Terms of Payment**

- (1) Invoices shall be submitted after the service has been provided in full.
- (2) Invoices shall be sent solely to the invoice address specified in the Order.
- (3) Contractor shall submit a verifiable invoice of its services. For each Order a separate invoice is required. Collective invoices which refer to various Orders are not permitted. In particular invoice line items must match order items. As a rule upfront and partial invoices are not allowed. If in an Order partial settlement is agreed, the upfront, partial, partial final and final invoice are to be marked as such and listed individually in numbered sequence. The invoice shall contain Customer's business unit placing the Order, Order number and the place of receipt and, in case of services, the proof of performance. The invoice shall be in accordance with the applicable local taxation law. If the invoice does not comply with the aforementioned requirements, Customer reserves the right to return the outstanding invoice in order for Contractor to complete or correct it. In such a case, the payment period shall begin only after the completed or corrected invoice has been received by Customer. Even if Customer does not make use of the aforementioned proviso, Customer shall not be responsible for any delay in payment. The invoice with the address given in the Order shall not be issued before the day of performance in accordance with the agreement.
- (4) Amendments and supplements to the agreement shall only be paid for if agreed upon in writing before being carried out.
- (5) The prices agreed are net prices. If applicable, value added tax to the statutory amount shall be added.
- (6) The invoice shall not be paid before the service has been provided.
- (7) Unconditional payment of the invoiced amount by Customer does not constitute recognition of Contractor's services as being in accordance with the agreement.
- (8) Customer may deduct any withholding taxes which may possibly accrue from the price to be paid and pay them to the fiscal authorities on account for Contractor unless



a valid certificate of exemption is provided by Contractor.

- (9) Regarding further specific rules see Part B: Country specific terms.

**15. Assignment of Claims**

- (1) Customer shall be entitled to assign its rights and obligations arising from the agreement individually or in whole to any group company within the meaning of number 1(3). Such an assignment shall not require Contractor's consent.
- (2) Regarding further specific rules see Part B: Country specific terms.

**16. Set-off**

- (1) Contractor has no rights of retention insofar as they are based on counterclaims resulting from other legal transactions with Customer.
- (2) Contractor may only offset such claims which are undisputed or recognized by final and binding judgment.

**17. Foreign Trade Regulations**

- (1) Contractor shall be accountable for the compliance with all applicable foreign trade regulations in connection with a delivery and, in particular, for obtaining all authorizations required under export laws on its own responsibility and at its own expense.
- (2) For any delivery of goods, Contractor shall provide Customer with the following information:
  - a. Statistical Commodity Code in accordance with the Harmonized System of the World Customs Organization (WCO);
  - b. Country of origin of the goods (where applicable, in accordance with EU preferential agreements); and
  - c. Any foreign trade information and documents relevant for shipment (weight of the goods, customs number, VAT ID).

The information defined under a. and b. shall be provided as either as separate information prior to shipment or, at the latest, as an annotation on Contractor's invoices.

- (3) If Contractor delivers goods of U.S. origin or primarily of U.S. origin, it shall be obliged to provide Customer with the Export Classification Number (ECCN) and to identify any applicable "license regulations" or "license exceptions" according to U.S. re-export laws.
- (4) To the extent that Contractor has obtained goods and/or services either wholly or partially from third parties, it

shall guarantee that they have been obtained from secure sources, and that they have been exported, imported or introduced under observation of and in compliance with the legal export regulations of the country of manufacture/dispatch.

**18. Final Provisions**

- (1) The place of performance shall be the place of final destination indicated by Customer.
- (2) Notwithstanding the legal invalidity of individual items, the remainder of the agreement shall remain binding. However, this shall not apply if adherence to the agreement would constitute an unreasonable hardship for one party.
- (3) Regarding further specific rules see Part B: Country specific terms.

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