

I. Scope of application

1. These General Terms and Conditions of Purchasing (“**GTCP**”) shall apply to every, even future, contractual arrangement (e.g. in the form of individual orders or delivery call-ups; hereinafter, an “order”) relating to the production, processing and delivery of raw materials, semi-finished or finished products, tools, machinery, equipment and plants as well as to the rendering of (work or service) performances (“**Subject-Products**”) by the supplier (“**Supplier**”) for Veritas AG or a company affiliated with Veritas Group in the terms of § 15 of the German Corporation Act (“**Veritas**”) that agrees on orders with or calls up orders from the Supplier.
2. General terms and conditions of business of the Supplier or third parties shall not form part of the contractual relation between Veritas and the Supplier (hereinafter, the “**Parties**”), even if Veritas does not oppose them separately in the specific case or refers to a writing that contains the general terms and conditions of business of the Supplier or a third party or refers thereto. This shall only be the case if this is expressly agreed between the Parties in writing. This shall also apply to any variations from these GTCP.

II. Conclusion of contract; changes

1. The costs incurred within the framework of the origination of a contract, particularly in connection with visits or the preparation of cost estimates, offers and project studies, shall not be reimbursed by Veritas without a corresponding agreement.
2. Orders and changes and additions thereto must be made by EDI, fax, e-mail or in writing.
3. As is reasonable for the Supplier, Veritas may request changes to the ordered quantities and other terms and conditions of delivery (place and date). This shall apply in particular to the acceptance of an order by the Supplier.
4. Veritas shall be entitled at all times to request changes to the Subject-Products in terms of design and execution. The Supplier must evaluate such changes and notify the effects thereof, particularly relating to the technical features, additional or lower costs and the implementation options and delivery dates, immediately in writing. Two weeks after the receipt of a change request, the previously agreed price shall continue to apply without notice, unless the Supplier informs Veritas immediately, providing grounds why such notice cannot be provided within two weeks. Before the Supplier implements a change, the change shall require an express written release by Veritas.
5. All changes planned by the Supplier are to be notified immediately in writing and shall likewise require prior written release before implementation. This applies in particular to any changes relating to the materials used, the production process, the place of production or the tools used.

III. Packing, customs duties, delivery, deadlines, penalties

1. Unless stipulated otherwise, the Supplier must always follow the instructions in the currently applicable logistics guidelines of the Veritas Group (retrievable at: <https://www.veritas.ag/wp-content/uploads/2022/01/Veritas-Group-Logistics-Guidelines.pdf>).

2. In cases of doubt, the Supplier must:
 - a. duly pack and label the Subject-Products, exercising the care common to the trade, and send the Subject-Products in accordance with the applicable safety standards and legal regulations (e.g. minimum wages) as cost effectively as possible.
 - b. packaging, outer packaging, packaging aids and product carriers must not contain any hazardous substances and must be recyclable. If Subject-Products contain hazardous materials, this must be labelled on the packing (in accordance with EU regulation 1272/2008, so called CLP regulation).
 - c. comply with the applicable export control provisions and must specify on every order confirmation, delivery slip and invoice the respective export item numbers in accordance with the export control provisions and to provide supplier long-term declaration (LLE) once a year.
3. In the case of raw materials delivery, a product test certificate must be enclosed with every delivery.
4. Full and complete traceability throughout the supply chain must be ensured. Especially, the batch number of the Supplier's Subject-Product must be specified in the delivery documents.
5. Unless stipulated otherwise, the Supplier shall be responsible for ensuring the documents and information necessary for the transport and payment of customs duties, must provide such to Veritas in due time and must organize the payment of customs duties. In the case of free deliveries (e.g. samples), the Supplier shall disclose the goods with a value and the note "For custom's purposes only." The reason for the free delivery must be specified on the invoice.
6. Agreed deadlines and periods shall always be binding and essential to the performance of the respective order. Unless stipulated otherwise, compliance with the delivery deadline or period for the receipt of the Subject-Products at the registered office of the company issuing the order or at the registered office of the recipient specified by the ordering company shall be decisive.
7. Veritas may postpone orders for up to three months, and the Supplier shall not be entitled to any change in the prices of the Subject-Products or to cost reimbursements or damage compensation. Veritas shall always inform the Supplier as early as possible of any scheduling changes.
8. Early deliveries, partial and surplus deliveries shall require the prior written approval of Veritas. If no such approval has been provided, Veritas may refuse to accept these deliveries or send them back or store them at the Supplier's cost and risk.
9. If the Supplier obtains knowledge of the circumstances that could hinder the Supplier in rendering the performance or the delivery on time in the agreed quality, the Supplier must immediately notify the ordering department of Veritas in writing. The Supplier may only invoice circumstances for which it is not responsible if the Supplier has met this notification duty.
10. In the event of default in delivery for which the Supplier is responsible, the Supplier must pay for each initiated working day (Monday to Friday) of default a contractual penalty of 0.3% of the relevant order value, though at maximum 5% of the relevant order value. The option to assert

any damage beyond this is hereby reserved. The contractual penalty is to be credited towards the default damage to be compensated by the Supplier.

11. The unconditional acceptance of a delayed performance shall not constitute a waiver of compensation claims.
12. The above provisions shall otherwise not prejudice any claims of Veritas prescribed by law.

IV. Quality and documentation, subcontractors, sub-suppliers

1. The Subject-Products must meet all agreed product- or performance-specific specifications and quality requirements conveyed by Veritas or its customers as well as the safety level pursuant to the latest state of science and technology and be suitable for the foreseen purpose. Moreover, the Subject-Products must meet all legal and administrative requirements, particularly those for the following regions: EU, NAFTA, BRIC, ASEAN, South Africa.
2. Prior to shipping goods, the Supplier must comprehensively inspect all Subject-Products for the absence of defects and document this.
3. The Supplier must establish and maintain a certified quality and environmental management system in accordance with the recognized and latest standards of the international automobile industry (. ISO DIN EN 9001 or IATF 16949 as well as ISO 14001). If the Supplier does not possess such a system or is no longer able to do so, the Supplier must communicate this and document processes in accordance with the specifications of Veritas to produce and/or render Subject-Products in accordance with the test procedures and means of testing determined by Veritas. Veritas and the customers of Veritas shall be entitled to audit the management systems of the Supplier after prior notice. With due regard to the responsibility of Veritas to its customers and in order to comply with all provisions of law, the Supplier must provide Veritas access to all relevant documents, production installations, processes and procedures and ensure that this is also possible at the premises of subcontractors.
4. The Supplier must store quality records (e.g. regarding production batches/times, end-of-line testing, incoming goods inspections and documents relevant to traceability) and security- and development-related documents for a period of at least 15 years.
5. The Supplier shall only be entitled to have its performances rendered in whole or in part by third parties after obtaining the prior written approval of Veritas ("**Subcontractor**"). The Supplier may only deploy Subcontractors and procure from sub-suppliers who likewise meet the requirements of these GTCP, particularly with respect to Sections IV and XII. Should the Supplier deploy Subcontractors or sub-suppliers to fulfil its contractual duties, the Supplier must contractually oblige such Subcontractors and sub-suppliers to grant Veritas and its customers a right to audit their production facilities. The Supplier is responsible for fault and for any defective performances and Subject-Products of its Subcontractors and sub-suppliers.

V. Prices and payment conditions, invoicing, assignment and reservation of title

1. Unless stipulated otherwise, the agreed price shall be considered as a fixed price plus the value-added tax stipulated by law (if applicable). The agreed price shall be the total compensation payable by Veritas; all work, performances and materials of the Supplier in connection with the relevant order and the transfer of IP rights or the bestowal of any licenses and use rights shall be fully satisfied by way of the agreed price. The prices shall moreover contain all ancillary costs, particularly delivery and packing costs (including the taking back and disposal of the packing by the Supplier) which have to be shown separately. If Veritas disposes of the packing, the Supplier shall bear the resulting costs.
2. Unless stipulated otherwise, the prices shall be FCA (Incoterms® 2010).
3. The Supplier must address invoices to the invoice address communicated by Veritas to the Supplier and send them in .pdf format via e-mail to the email address provided for this purpose. Invoices must always contain the order number, callup number and the supplier number. Invoices have to be issued per bill of delivery, collective invoices will not be accepted. Inaccurate or incomplete invoices shall not be considered as received until they have been corrected or supplemented.
4. Unless stipulated otherwise, payment shall be made at a 3% cash discount within 14 days or at a 1% cash discount within 30 days or in the net amount within 60 days. Decisive for the start of the period shall cumulatively be the defect-free delivery of the Subject-Products and the receipt of a proper and verifiable invoice. Payment by Veritas shall be considered as having been rendered in due time if Veritas receives the remittance order at the bank commissioned by it before the expiry of the payment period.
5. The Supplier shall only be entitled to set off claims of Veritas or to assert a retention right if and insofar as its counterclaim is undisputed or has been recognized by non-appealable judgment. Veritas shall be entitled to set off claims of the Supplier also with counterclaims to which a company affiliated with it in the terms of § 15 of the German Stock Corporation Act is entitled.
6. The Supplier shall not be entitled to assign claims to which it is entitled against Veritas or to have such claims collected by third parties.
7. If the title to the Subject-Products has been reserved in favour of the Supplier, the title reservation shall expire at the latest upon the full payment of the respective Subject-Products by Veritas. If a title retention exists to the Subject-Product delivered by the Supplier to Veritas in favour of a Subcontractor or another third party, the Supplier must inform Veritas before the delivery in written form of the name of the beneficiary and the claims of the beneficiary. Veritas shall be entitled to redeem the title retention of the beneficiary through a direct payment to the beneficiary, with credit towards the claim of the Supplier.

VI. Acceptance and inspection of received goods

1. If, based on the type of agreement between Veritas and the Supplier or the type of performance duty of the Supplier or based on provisions of law, an acceptance is required and nothing has been agreed in this regard, the acceptance shall formally be made after the completion and delivery of the Subject-Product in the form of an acceptance record. Any fictional acceptance in the form of silence in response to an acceptance request by the Supplier, in the form of payment of the compensation or in the form of the actual use of the work shall be excluded hereby.
2. Unless stipulated otherwise in writing, the incoming goods inspection of Veritas shall be limited to a check of the identity and quantity of the delivered products and to an outward visual inspection for obvious transport damage. Defects detected in this way will be notified by Veritas without delay, though at the latest within 10 days after their detection. Other ("hidden") defects are likewise to be notified to the Supplier, at the latest 10 days after their discovery. The Supplier shall waive the defence of delayed defect complaints. The payment of an invoice without any complaints shall not signify that Veritas assesses the respective delivery or the respective Subject-Product to be as agreed.

VII. Warranty

1. The Supplier shall guarantee the absence of defects in its Subject-Products and the obligations incumbent on it in this regard. Unless stipulated otherwise below or elsewhere, the provisions of law shall apply to material defects and defects in title.
2. Warranty claims shall lapse 60 months after delivery date or, depending on the structure of the performance duty, as of the acceptance date pursuant to Section VI (1). In the event of a subsequent performance through a replacement delivery, the limitation period shall begin to run again for the exchanged parts.
3. If the Supplier fails to meet the claim of Veritas for a subsequent performance within the period set by Veritas or if Veritas cannot reasonably expect to assert subsequent performance claims based on the urgency involved, particularly the need to avoid acute danger or significant damage (e.g. imminent delay in delivery to a customer of Veritas), in order to permit the Supplier to remedy the defect or to replace the faulty Subject-Products, or if the Supplier is not able to render a subsequently improvement or delivery, Veritas shall be entitled, itself without setting a further grace period at the cost of the Supplier to let the Subject-Products to be sorted and:
 - a. either to remedy the defects itself,
 - b. to have such remedied by a third party, or
 - c. to return the defective Subject-Products and to request the immediate replacement or to procure the replacement.
4. In the case of the delivery of defective Subject-Products, the Supplier shall bear all resulting costs and damage, particularly the cost of the search for the error, installation and dismantling costs as well as transport, carriage, labour and material costs, irrespective of whether these have been incurred by Veritas itself or by the customer of Veritas or within the sales organization of the customer of Veritas.

5. If Veritas has concluded warranty agreements common to the industry with its customers, the Supplier must compensate any costs and damages resulting from its share in the delivery that are charged by the customers of Veritas to Veritas pursuant to the aforementioned agreements. Veritas shall inform the Supplier within the framework of the appraisal and settlement of the recourse, as feasible, and involve the Supplier therein, e.g. by presenting test parts from reference markets and participating in the appraisals.
6. If defective deliveries trigger personnel expenses for Veritas (e.g. for processing the reclamation in the system, the preparation and distribution of test reports, the ascertainment and blocking of circulating stocks, transport and storage of suspicious batches and internal analyses to describe the error), such are to be reimbursed by the Supplier at a gross hourly rate of EUR 80.00 per hour.
7. If the same Subject-Product is repeatedly delivered in a defective fashion, Veritas shall be entitled to rescind the entire contract, provided Veritas has notified the Supplier of the defective nature of the goods and the Supplier also continues to supply defective Subject-Products even after this notice.
8. The Supplier must indemnify Veritas against material defects and defects in title asserted by third parties against Veritas. This shall also apply if such claims are attributable to defective products and performances of Subcontractors or sub-suppliers of the Supplier.

VIII. Liability

1. The Supplier must hold Veritas harmless and indemnify Veritas against all liabilities, costs, damage and expenses based on any conduct or omission of the Supplier that does not conform to the agreement. This shall include in particular claims of third parties based on personal injury or property damage caused by a defective or unsafe Subject-Product and also third-party claims due to the infringement of (property) rights.
2. If any recall or return campaign by Veritas, any of its customers or a third party is carried out to avert personal injury or property damage based on a Subject-Product of the Supplier, the Supplier must bear the costs and indemnify Veritas in this regard. This shall also apply in the event of quality-related field and service campaigns. As feasible, Veritas shall inform the Supplier early, giving the Supplier the possibility to collaborate and exchanging information with the Supplier about efficient execution.

IX. Insurance

1. The Supplier shall be obliged to ensure adequate insurance coverage with respect to its obligations. For this purpose, the Supplier must ensure at least the following minimum insurance coverage for the duration of the contractual relations with Veritas:
 - a. business liability and extended product liability insurance with a minimum lump-sum coverage amount per calendar year of EUR 10 million for personal injury and property damage;

- b. automobile recall cost insurance with a minimum coverage amount per calendar year of EUR 10 million.
2. For all insurance events, the double maximized amount of the aforementioned coverage amounts must be available per year as an insurance benefit.
3. The Supplier shall be obliged to document the existence of these insurance policies without need of request. Material changes in the insurance relations, particularly the elimination of the insurance coverage or the reduction of the minimum coverage amounts must be notified by the Supplier to Veritas immediately in writing. The non-existence and the elimination of the insurance coverage shall entitle Veritas to extraordinary termination or to rescind the relevant order.

X. Force majeure

1. Force majeure, particularly natural disasters, water inundation, fire, unrest, war, strike and other unforeseeable and significant events not avoidable for the Parties (e.g. not merely temporary interruptions in production at customers of Veritas) shall release the Parties from their performance duties for the duration of the disturbance and to the degree of its effect. The Parties shall inform each other without delay if it becomes foreseeable that the contractual performance duties will not be able to be met as a consequence of force majeure.
2. Each Party shall be obliged - as reasonably possible - without delay to undertake everything to remedy the disruption and to mitigate the effects of the disruption.
3. Veritas shall be entitled to procure the Subject-Products or have them produced from other sources for the duration of the delay on the part of the Supplier and to reduce the quantities specified in the order without any obligation whatsoever to the Supplier; Section XII.5 shall also apply accordingly in this regard.

XI. Provisions; tools

1. Materials, parts, tools, moulds, drawings, etc. provided by Veritas ("**bailment parts**") shall remain the property of Veritas and shall be provided to the Supplier only to fulfil its contractual performances. Any other use shall in principle be prohibited and shall require the express written approval of Veritas. This shall also apply to rights to property, know-how and patents in relation to the bailment parts, to which Veritas is entitled that are granted to the Supplier for use. The processing of material and the assembly of parts shall always be made for Veritas. The Supplier shall not be entitled to any retention rights to provisions, irrespective of the legal ground.
2. Tools owned by Veritas or its customers are to be clearly and unequivocally labelled by the Supplier as third-party property and noted in the corresponding lists of the warehouse and location. Tools are to be maintained and reconditioned by the Supplier at its own cost. Moreover, tools are to be insured at minimum at the replacement value against destruction or damage through natural forces, fire and water and power damage at the cost of the Supplier. The Supplier must ensure access to the tools after a corresponding request.

XII. Property rights/IP and know-how

1. The Supplier shall be liable for claims resulting from the contractual use of the Subject-Products from the infringement of property rights to which third parties are entitled or from the registration thereof.
2. The term “property rights” within the meaning of these Terms and Conditions shall encompass all property rights, particularly trademarks, designs, patents and copyrights. The term “know-how” shall encompass product- and production-specific knowledge acquired by the holder through experience and activity. “Old property rights” and “old know-how”—i.e. which were available to Veritas and the Supplier before the Supplier was commissioned—shall remain the property of the respective beneficiary and shall be granted to the other Party for use insofar and so long as this is necessary for the execution of the respective order or for the contractual use of the Subject-Products. Veritas shall in principle be entitled to the full scope of “new property rights” and “new know-how”—i.e. which accrue to the Supplier, a third party or Veritas after the Supplier has been commissioned by Veritas. If no transfer is possible (e.g. in the case of copyrights), this shall occur in the form of a free, irrevocable, temporally, regionally and substantively unrestricted license that is transferable and sublicensable.
3. The Supplier shall immediately offer Veritas the transfer of inventions which are made by employees of the Supplier while preparing/performing its duties towards Veritas which can be protected by property rights.
4. The Supplier shall support Veritas in the registration of new property rights, particularly by issuing all necessary statements in due time with substantive accuracy. The Supplier shall otherwise desist from everything that could be harmful to the obtainment and maintenance of new property rights.
5. Veritas shall be entitled for the period of the delay in the terms of Section X to the non-exclusive, free, geographically and temporally unrestricted (as define in the paragraph below), transferable and sub-licensable right of use to the old property rights and old know-how necessary for the production and contractual use of the products. In cases of doubt, Veritas shall be entitled to the aforementioned use rights for the period that is necessary and reasonable for the (repeated) set-up of a qualitatively and quantitatively equivalent replacement by the Supplier.
6. Any variation from the above paragraphs shall require express written agreement.

XIII. Confidentiality

1. The Parties hereby agree to keep confidential all knowledge, information (e.g. technical details) and all documents obtained during the collaboration. This obligation shall exist irrespective of whether the information is communicated verbally or in writing. The entrusted knowledge and information may exclusively be used within the framework of the collaboration and only be made accessible to those employees who have necessarily been involved and have been obliged to maintain secrecy to the same degree. Exceptions shall require prior express written approval.
2. The duties to maintain secrecy in accordance with this Section shall not exist if and insofar as the relevant information has verifiably become known to the general public or has become known

to the general public through no fault of the Party obliged to maintain secrecy or was or will be lawfully obtained from a third party or was already available to the receiving Party or has to be disclosed based on compulsory provisions of law.

3. The duties to maintain secrecy in this Section shall also apply after the expiry or cessation of an order.
4. The Supplier may only advertise the business relation with Veritas or inform third parties of the existence of the business relation after obtaining the prior written approval of Veritas.

XIV. Compliance; Supplier Code of Conduct

1. The Supplier hereby agrees to always comply with the applicable law (“**compliance**”). This shall include in particular not committing any acts or omissions that could lead to civil or criminal prosecution. This shall relate in particular to the areas of corruption, money laundering and anti-trust and competition law. The Supplier must ensure that its organization has been set up accordingly, employees and officers have been trained and obliged accordingly and Subcontractors and suppliers have likewise committed and obliged themselves accordingly.
2. The Supplier Code of Conduct (SCoC), which can be retrieved at [Veritas-Gruppe_Supplier-Code-of-Conduct.pdf](#), shall always be binding for the Supplier and must be complied with.
3. All material data concerning Subject-Products are to be entered into the International Material Data System (IMDS). The data must conform to the applicable specifications.

XV. Cessation of contract

1. Orders construed for an indefinite or indeterminable period of time may be terminated routinely in writing by Veritas upon 9 months’ notice effective from the end of any calendar month. Damage compensation and expense reimbursement claims of the Supplier due to any routine termination shall be excluded hereby. Routine termination by the Supplier shall hereby be excluded.
2. The provisions of law concerning termination of a contract for work and services and the right to extraordinary termination by either Party shall not be prejudiced hereby.
3. Veritas shall moreover be entitled to terminate extraordinarily without notice in the following events:
 - a. A third party acquires more than 25% of the shares or assets or voting rights in the Supplier, whether directly or indirectly, in which case the Supplier shall notify Veritas in written form within 10 days following the completion of the relevant acquisition, if any.
 - b. If insolvency or imminent insolvency occurs for the Supplier pursuant to the Insolvency Code or if over-indebtedness occurs, this shall also apply to comparable situations pursuant to the applicable legal ordinance.
 - c. If a petition is filed for the initiation of insolvency or comparable debt restructuring proceedings concerning the assets or the operations of the Supplier, such proceedings are initiated or are dismissed due to a lack of assets.

- d. Supplier is not competitive in terms of its prices, technology, quality or other material terms and conditions of performance compared to other suppliers.
 - e. Veritas' customer terminates the project or any call-ups of parts for which Veritas has placed orders with the Supplier.
4. After the cessation of the contractual relation, the respectively exchanged and communicated operating resources, records, tools and all documents and information are to be returned or destroyed in consultation.

XVI. General provisions

1. When delivering services at facilities of Veritas, the Supplier shall be obliged to follow all monitoring and safety provisions applicable at the respective premises. Without prejudice to any special local regulations, the work regulations for persons not associated with the company, which may be retrieved at https://www.veritas.ag/wp-content/uploads/2022/01/AA_924_Company-regulations-for-external-persons-7.0.pdf , shall apply as amended.
2. Should any provisions of these GTCP and the individual contracts conducted be or become invalid, the validity of these GTCP and the individual contracts shall not be affected thereby. The Parties hereby undertake to replace the invalid provision and to agree any contractual gaps by a provision that corresponds in a legally valid fashion with what the Parties would have agreed on in accordance with their presumed will to be ascertained based on the contractual relation.
3. Any modifications of or additions to these GTCP shall only be valid in writing. This shall also apply to this requirement for the written form.
4. Exclusively German law shall apply to the contractual relations between Veritas and the Supplier. The UN Convention on Contracts for the International Sale of Goods (CIGS) shall not be applicable.
5. Frankfurt am Main, Germany shall be the exclusive place of jurisdiction for all disputes.
6. If the Supplier has its registered office outside the European Union (EU) or the European Free Trade Association (EFTA), all disputes resulting directly or indirectly from these GTCP or all contractual relations established based on these GTCP shall be decided in accordance with the arbitral rules of the German Arbitration Institute (DIS), ousting the jurisdiction of ordinary courts of law. The arbitral tribunal shall consist in this event of three arbitrators, one of whom must be qualified to act as a judge in Germany. Frankfurt am Main, Germany shall be the place for performance of the arbitral proceedings. German shall be the language of the litigation and proceedings. Exempt herefrom shall be disputes with suppliers who have their registered office in the People's Republic of China. In such events, any dispute arising from or in connection with this Agreement shall be submitted for arbitration to the China International Economic and Trade Arbitration Commission (CIETAC) which shall be conducted in accordance with the CIETAC's arbitration rules in effect at the time of applying for arbitration. Shanghai shall be the seat of the arbitral tribunal; English shall be the language of the proceedings. The arbitral tribunal must

consist of three arbitrators, of whom at least one must be a fully-qualified lawyer or have successfully completed comparable studies. The arbitral award is final and binding upon both Parties.

XVII. Additional rules for foreign transactions

1. In cases where both the Veritas Group company that places the order and the Supplier have their registered business seats in the People's Republic of China, Clause XVI. 4 Sentence 1 shall apply providing that the law of the People's Republic of China shall apply.
2. In cases where both the Veritas Group company that places the order and the Supplier have their registered business seats in Bosnia and Herzegovina, Section XVI. 4 Sentence 1 shall apply providing that the law of Bosnia and Herzegovina shall apply.
3. In cases where both the Veritas Group company that places the order and the Supplier have their registered business seats in the United Mexican States, Section XVI. 4 Sentence 1 shall apply providing that the law of the United Mexican States shall apply, particularly the commercial code (*Codigo de Comercio de Mexico*). Further, the following shall apply:
 - a. Section VXI.5 and VXI.6 shall not apply. Instead the following shall apply: "Any disputes resulting directly or indirectly from these GTCP or all contractual relations established based on these GTCP shall be decided in accordance with Rules of Arbitration of the International Chamber of Commerce by three arbitrators appointed in accordance with said Rules. The law applicable to the merits of the dispute shall be the law of the United Mexican States. The place of the arbitration shall be Mexico City (Mexico) and the language of the proceedings shall be English."
 - b. Any and all references in these GTCP to foreign currency shall be applied in Mexican currency at the time of application of such provision. Deliveries shall be paid in Mexican currency. Invoices must at all times comply with all the applicable Mexican legal tax provisions and obligations.
 - c. Any and all references in the GTCP to German law, or any provision, legal body or the like of any jurisdiction different to the applicable law within the United Mexican States should find correspondence in the applicable laws of the United Mexican States. In the event there is no corresponding provision within Mexican law, the parties agree to oblige themselves in terms of the provisions of the GTCP.
4. In cases where both the Veritas Group company that places the order and the Supplier have their registered business seats in the Republic of Turkey, Section XVI. 4 Sentence 1 shall apply providing that the law of the Republic of Turkey shall apply without application of conflict of law principles. Further, the following shall apply:
 - a. Section III.10 of the GTCP is hereby deleted in its entirety and replaced with the following: "In the event of default in delivery for which the Supplier is responsible, the Supplier must pay for each initiated working day (Monday to Friday) of default a contractual penalty of 0.5% of the relevant order value, though at maximum 10% of the relevant order value. The option to assert any damage beyond this is hereby reserved."

The contractual penalty is to be credited towards the default damage to be compensated by the Supplier.”

- b. Section XV. 3 of the GTCP are hereby deleted in their entirety and replaced with the following: “Veritas shall moreover be entitled to terminate extraordinarily without notice in the following events:
 - a. A third party acquires more than 25% of the shares or assets or voting rights in the Supplier, whether directly or indirectly, in which case the Supplier shall notify Veritas in written form within 10 days following the completion of the relevant acquisition, if any.
 - b. If insolvency or imminent insolvency occurs for the Supplier pursuant to the Insolvency Code or if over-indebtedness occurs, this shall also apply to comparable situations pursuant to the applicable legal ordinance.
 - c. If a petition is filed for the initiation of insolvency or comparable debt restructuring proceedings concerning the assets or the operations of the Supplier, such proceedings are initiated or are dismissed due to a lack of assets.
 - d. Supplier is not competitive in terms of its prices, technology, quality or other material terms and conditions of performance compared to other suppliers.
 - e. Veritas’ customer terminates the project or the call-ups of parts for the assembling of which the Supplier delivers to Veritas.
 - f. Supplier breaches any provision of these GTCP.”

- c. Section XVI.4, 5, 6 of the GTCP are hereby deleted in their entirety and replaced with the following:

“4. All notifications which need to be made under these GTCP or which are contemplated to be made hereunder by either of the Parties shall be in writing and made by way of either (a) hand-delivery, or (b) registered mail with return receipt requested, or (c) facsimile. For the convenience of the Parties, the notifications made by e-mail, except for notices of termination and default, will be deemed to be duly served. Any and all notifications shall be made to the addresses yet to be agreed in the respective nomination letter and may be changed from time to time, by a notification to be made/served in accordance with this section.

Any communication or document made or delivered by one Party to another under or in connection with these GTCP will only be effective:

- if by way of hand-delivery or registered mail with return receipt requested, when left at the relevant address by the entity providing for the proof of delivery document;
- if by way of facsimile, when received in legible form; and

- if by way of email, when sent; provided that no message is received by the sender Party indicating that such message has not been delivered to the intended recipient.

Any communication or document made or delivered by one Party to another under or in connection with these GTCP shall be in Turkish or English language. In addition, all notifications regarding termination or default shall be served (i) through a Notary of Republic of Turkey, (ii) by telegraph, or (iii) by paid registered mail pursuant to Article 18/III of the Turkish Commercial Law.

5. Changes, amendments, termination or the release of these GTCP require written form and the signature of authorised representative of both Parties. Parties agree that these GTCP shall be negotiated and concluded as an individual agreement in particular with regard to the joint responsibility for the failure avoidance within the entire supply chain. The Parties shall be equally liable for any and all expenses arising from the execution of these GTCP, such as stamp duty, notary fees, etc.

6. These GTCP are executed in English and Turkish language and in two original exemplars. The German version is for convenience purposes only. In the event of any inconsistency between the English and Turkish version, the Turkish version shall prevail over the English version.

7. All disputes resulting directly or indirectly from these GTCP or all contractual relations established based on these GTCP shall be decided in accordance with the arbitral rules of the German Arbitration Institute (DIS), ousting the jurisdiction of ordinary courts of law. The arbitral tribunal shall consist in this event of three arbitrators, one of whom must be qualified to act as a judge in Germany. Frankfurt am Main, Germany shall be the place for performance of the arbitral proceedings. English and Turkish shall be the language of the litigation and proceedings.”

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