

**General Terms and Conditions of Procurement**  
GLS Germany GmbH & Co. OHG and GLS IT Services GmbH  
GLS Germany-Straße. 1-7, 36286 Neuenstein, Germany

**1. Scope and subject-matter**

- 1.1. The following terms and conditions shall apply to all contracts to cover requirements for material goods and comparable services between General Logistics Systems Germany GmbH & Co. OHG or GLS IT Services GmbH (the contracting company hereinafter referred to as the "Client") and the Contractor, unless otherwise agreed in writing.
- 1.2. The subject-matter of the contract is shown by the contract made between the Client and the Contractor, which in the event of conflicts, deviations and cases of any doubt shall take precedence over these General Terms and Conditions of Procurement.
- 1.3. At such time as the goods and services are provided for the first time under the present General Terms and Conditions, the Contractor is deemed to acknowledge that they shall be solely applicable to any further contracts with the Client as well.

**2. Formation of contract**

- 2.1. A contract is only deemed to have been formed following written confirmation of the Contractor's offer by the Client, or following placement of an order by the Client and the receipt of a corresponding order confirmation, or provision of the goods and services by the Contractor.
- 2.2. Ancillary agreements and agreements departing herefrom shall only be legally valid if made in written form. Oral agreements shall only be effective following confirmation by the Client in written form.
- 2.3. Correspondence in commercial contract matters shall be conducted exclusively with the procurement department of the Client. To the extent that they are to constitute the making of contractual agreements, arrangements with other departments modifying the commercial points stipulated in the contract shall require express written confirmation by the Client's procurement department in the form of an addendum to the contract.
- 2.4. Orders must be confirmed by the Contractor immediately, indicating the business reference of the Client. If the Contractor has not confirmed the order or begun performing the order within two weeks, the Client shall be entitled to rescind the order free-of-charge.
- 2.5. The Client may, following conclusion of the contract, demand changes to the scope of goods and services in terms of quantity and/or quality, to the extent of the Contractor's ability, provided that this is reasonable to the Contractor and that an agreement on any price changes is reached.
- 2.6. Terms and conditions departing herefrom or supplementing the present General Terms and Conditions shall not apply. General terms of the Contractor contained in its GTCs or in its confirmation of the order are hereby expressly objected to. Unconditional acceptance of confirmations of orders or of deliveries of goods shall not constitute acceptance of any such terms.

**3. General duties of Contractor**

- 3.1. Where the Contractor sees that the specifications of the Client (in particular any concept, documentation, other specified tasks or other specifications) are objectively incapable of execution, defective or unclear, it must promptly notify the Client thereof in writing, together with technical justifications for its view.
- 3.2. The Contractor shall ensure that the goods/services provided by it correspond to the latest state-of-the-art as of the time of conclusion of the contract, as well as the relevant legal rules and guidelines of public authorities, professional associations and trade associations.
- 3.3. The Contractor shall indemnify the Client and hold it harmless against all civil law claims and necessary legal costs asserted by third parties against the Client because of its culpable act or the culpable actions of its vicarious agents imputable to it.
- 3.4. To the extent of its commercial and technical abilities, the Contractor shall produce the products and services contracted for in as environmentally friendly a manner as possible.
- 3.5. The Contractor's liability is not limited and shall be governed solely by the provisions of applicable law.
- 3.6. The Contractor may only exercise a right of set-off on the basis of undisputed claims or claims which have been adjudicated with *res judicata* effect and may only exercise a right of retention on the basis of such claims.
- 3.7. Where shipping via the Client or any GLS Group entity is possible, then the Contractor shall use this means of transport.

**4. Shipping and packaging**

- 4.1. The Contractor must provide delivery notes together with every shipment. The shipment must be precisely described therein in terms of type and quantity. The Client's complete order number, the office placing the order or, in the case of framework

agreements, the office issuing the call-off order, the material number(s) and the delivery address must be shown in the delivery note.

- 4.2. The Contractor must deliver the goods ordered to the delivery address specified in the contract, at the Contractor's own risk and cost.
- 4.3. Unless otherwise stipulated in the contracts, the place of performance is 36286 Neuenstein. The recipient of the goods and services may also be a third party identified in writing, instead of the Client.
- 4.4. The Contractor must ensure that the packaging is safe for transport. The packaging should be selected such that it is as environmentally friendly as possible. It must be easy to remove and dispose of. The use of disposable pallets is prohibited.

**5. Minimum wage**

- 5.1. The Contractor hereby warrants that the wage paid to its employees corresponds, in amount, at least to the statutory minimum wage and that it meets the obligations arising out of the Collective Bargaining Act and Minimum Wage Act ([German acronym: MiLoG]).
- 5.2. The Contractor shall also impose, in writing, a duty on any sub-contractors engaged by it to comply with MiLoG.
- 5.3. The Contractor hereby warrants that it has not in the past been sanctioned by a public authority or a court for any violation of these or other legal obligations in the area of employee remuneration and in particular that it has not been excluded from eligibility for public contracting.
- 5.4. Upon request of the Client, the Contractor shall furnish evidence, by appropriate documentation, that it pays its employees the minimum wage.
- 5.5. Where the Client is subject to third-party claims on the basis of a violation of MiLoG by the Contractor or the Contractor's sub-contractors, the Contractor shall indemnify and hold the Client harmless against such claims, its necessary legal costs and all sanctions, fines and all other measures or claims under public law.
- 5.6. Where the Contractor or one of its sub-contractors violates any of the provisions of MiLoG, the Client shall be entitled to terminate the contract without notice.

**6. Prices**

- 6.1. Unless otherwise agreed, prices stated in the contract are fixed prices. Claims for additional amounts are not permitted. The agreed prices are deemed full and final compensation for all of the costs incurred in connection with performance of the contract (in particular: packaging, shipping, insurance, customs clearance, assembly, excise duties). The prices are quoted exclusive of VAT.
- 6.2. The calculation of volume discounts and other discounts shall take account of the revenue generated by the Contractor with all of GLS Group's organisational units (GLS Germany GmbH & Co. OHG and its affiliated companies).

**7. Invoices**

- 7.1. The Client shall only make payments on the basis of complete (sec. 7.2) and verifiable invoices complying with the current rules under tax law. All payments made by the Client must be shown in the final invoice.
- 7.2. Invoices shall be sent in a single copy, together with all related documents following completion of the deliveries of goods or services to the location specified by the Client. The invoice must contain the same information as the delivery note (see sec. 4.1).
- 7.3. Payments shall be made following receipt of a verifiable invoice within 14 days (applying a 2% discount) or within 30 days net, and are made solely in EURO plus the legal rate of VAT in each case.
- 7.4. Payments by the Client do not imply any acknowledgement of the correctness of the invoice.
- 7.5. The Client may exercise a right of set-off against any claims the Contractor has against it on the basis of all of the claims by the Client or the German companies in which the Client holds a direct or indirect majority interest against the Contractor.
- 7.6. Claims of the Contractor under this contract may only be assigned to third parties with the Client's written consent.

**8. Rights of use**

The Contractor hereby grants the Client an exclusive right of use, processing, exploitation and duplication, unlimited in geographical, temporal and substantive scope, which shall likewise be irrevocable and assignable, for all purposes and known types of use, and in particular for commercial use, in respect of the individually produced works and parts of works for which copyright or other intellectual property protection exists.

## 9. Default

- 9.1. The agreed delivery and/or performance deadlines shall be binding on the Contractor. Early deliveries or partial deliveries shall require the Client's agreement. As to the timeliness of deliveries or supplementary performance, the physical delivery to the receiving office specified by the Client shall govern; for the timeliness of deliveries involving installation and assembly, timeliness shall be governed by the time of formal acceptance.
- 9.2. Where the Contractor sees that it is unable to meet agreed deadlines, it shall notify the Client promptly thereof, indicating the reasons for the delay. The Contractor's duty to comply with agreed deadlines remains unaffected hereby.
- 9.3. Where the Contractor is in default, the Client shall be entitled to assert its statutory claims, even in the event that a contractual penalty has been agreed for late delivery, in which case the penalty shall be credited accordingly. The Client shall, in particular, be entitled to effect cover purchases and to charge the additional cost thereof to the Contractor.
- 9.4. Where the failure to comply with a binding deadline or a binding period is due to an unforeseen event (*force majeure*) beyond the control of the Contractor, such deadline or period shall be extended by a reasonable time.
- 9.5. The Client may accept the receipt of goods which are delayed by giving an express declaration to the Contractor. In such case, the Client reserves the right to assert damages for delay.

## 10. Warranty for defects

- 10.1. Acceptance of the goods/services shall not be deemed approval of the same. In the event that the goods/services are defective, the Client shall be entitled to assert the statutory claims for defects.
- 10.2. Defective goods or delivery of goods which is not in compliance with the contract may be returned to the Contractor at the Contractor's risk and expense.
- 10.3. Claims for defects shall become time-barred, provided that the Contractor has not fraudulently concealed the defect, upon expiry of a period of 2 years from delivery or acceptance of the goods or other services.
- 10.4. Where sec. 377 of the German Commercial Code [German acronym: HGB] applies, a notification of defects shall be deemed timely if it takes place within 14 days, calculated from the date of delivery of the goods or from discovery of a defect which was not initially manifest.
- 10.5. The Contractor hereby warrants that all of the goods delivered are his own property and further warrants that both these goods and all other services are free of third-party intellectual property rights. It shall indemnify and hold the Client harmless upon first written demand against third-party claims based on culpable infringements of intellectual property rights, and in particular, shall indemnify the Client for necessary legal costs arising out of infringements of this kind, provided they are not based on the Client's intentional act or gross negligence.

## 11. Confidentiality and data protection

- 11.1. The Contractor shall treat all confidential information, business or trade secrets to which it has access in connection with the parties' contract in strict confidence, and shall, in particular, not divulge them to third parties or otherwise exploit them. In addition, the Contractor shall observe postal secrecy and comply with the statutory rules on data protection. Any non-disclosure agreements made between the parties shall remain unaffected hereby.
- 11.2. The Contractor further warrants that its employees and other vicarious agents and sub-contractors shall also discharge the obligations referred to under 11.1 hereof.
- 11.3. The Client is entitled to process (within the meaning of the legal data protection definitions) the data received relating or connected to the business relationship with the Contractor, regardless of whether that data stems from the Contractor itself or from third parties.

## 12. Compliance clause

- 12.1. In the course of its activities for or on behalf of the Client, the Contractor is obligated to observe all applicable laws, in particular but not limited to:
- All applicable European Union restrictive measures in force ("Sanctions") including embargoes and economic or financial sanctions;
  - All applicable Anti-Bribery laws. This obligation encompasses the prohibition of directly or indirectly offering, promising or giving a financial or other advantage (a) to any person (or a third person associated with such person) with the intention of rewarding or inducing such person to act

improperly in his or her public, business or employment position; or (b) to any person in the knowledge that such person is not permitted to accept any advantage (regardless of the underlying intention) due to his or her public, business or employment position; or (c) to any public official with the intention of influencing him or her in his or her capacity as a public official. Conversely, the Contractor shall not request, agree to receive or accept a financial or other advantage granted with the intention to induce the Contractor to act improperly when performing his or her public, business or employment duties or to reward him for such behaviour. For the avoidance of doubt, the prohibitions outlined above explicitly include so-called 'facilitation payments' and apply to them regardless of any value.

- All applicable laws aimed at combating forms of so-called "Modern Slavery", such as the prohibition of human trafficking, of forced or compulsory labour or of work exploitation.
- 12.2. The Contractor is obliged to notify the client immediately, if
- the Contractor or any of its affiliates or personnel becomes listed on an EU financial sanctions lists; or
  - the Contractor becomes aware that an authority is investigating a breach of Sanctions, of Anti-Bribery laws or of laws combating Modern Slavery allegedly committed by the Contractor or its affiliates or personnel with regard to the activities the Contractor performs for or on behalf of the client;
  - the Contractor considers, after having taken reasonable steps to investigate, that a potential breach of Sanctions or of any applicable Anti-Bribery or Modern Slavery law has indeed been committed by the Contractor or its affiliates or personnel with regard to the activities the Contractor performs for or on behalf of the client.
- 12.3. Without prejudice to any other rights, in the event that the Contractor willfully or negligently fails to comply with these clauses 12.1 or 12.2, the client will be entitled to unilaterally terminate this Agreement immediately without consultation with the Contractor.

## 13. Final provisions

- 13.1. In addition to the provisions set forth in this contract, the provisions of applicable law shall apply. The law of the Federal Republic of Germany applicable to legal relations of domestic parties shall govern. The law on the United Nations Convention on the International Sale of Goods (CISG) shall not apply.
- 13.2. Jurisdiction and venue shall lie with the courts of Bad Hersfeld. The Client may also sue the Contractor in the courts with general jurisdiction over the Contractor.
- 13.3. In the case of invalidity or unenforceability of individual provisions of this contract, the validity of the remaining provisions thereof shall remain unaffected. In lieu of the invalid or unenforceable provision, the parties intend that a reasonable provision shall apply which comes the closest to the commercial purposes sought by the invalid or unenforceable provision. The same shall apply in cases of supplementary contract interpretation, in the event that a contractual gap should be found in the contract or these Terms and Conditions.