

## Special Terms and Conditions for Manufacturing, Supplying, Installing and Fitting Production Equipment (status 09/2018)

**This is an English translation of the German STC and for convenience only. Only the German version of these STC is legally binding.**

### 1. Scope and Elements of Contract

- 1.1 The Special Terms and Conditions (“**STC**”) set forth below shall apply to orders by the BMW Group for manufacturing, supplying, installing and fitting production equipment.
- 1.2 The present STC shall supplement the “General Terms and Conditions for Indirect Purchasing” (“**GTC**”), as from time to time amended. The GTC shall apply unless these STC otherwise provide for a separate rule or specify a different rule in derogation from the GTC.
- 1.3 In the event of any conflict between the GTC and these STC, these STC shall take precedence over the GTC.

### 2. Additional Duties

- 2.1 In addition to the measures specified in section 3.12 of the GTC, the Contractor shall undertake the following without additional compensation:
  - procurement of all required devices, auxiliary materials and equipment free to the site of use,
  - cleaning of construction site and restoration of the construction site to the original assembly states,
  - removal of waste arising in the course of carrying out the order,
  - adequate lighting at the worksite,
  - securing of working areas in respect of accidents, damage, theft and the like.
- 2.2 The Contractor hereby warrants that supply of spare parts for machines and equipment shall be assured for a period of ten years from the date of formal acceptance.
- 2.3 Where actions are to be performed on BMW's premises, BMW shall, upon request of the Contractor, provide the following services free of charge in support of the Contractor's performance of the order:
  - electricity, where such is not being used for purposes of heating
  - water and compressed air, to the extent this is operationally possible,
  - foundation, masonry and lifting working (excluding anchorages), roof work, provision of primary power up to the electrical cabinet.
  - water drainage from a central point
- 2.4 Provided that the Contractor creates or modifies software in the course of performing its services, then by way of supplementation to section 3.14 of the GTC, the following shall apply:

The Contractor shall, upon request of BMW, enter into a separate escrow agreement for deposit of the software in escrow and the deposit of associated source codes and documentation within the meaning of section 3.14 of the GTC with such escrow agent as BMW shall designate. BMW shall be entitled to designate the escrow agent in its reasonable discretion. The Contractor is entitled to object to its designation of an escrow agent for good cause if the escrow agent designated by BMW is unsuitable. Unless otherwise agreed, BMW shall bear the costs of the escrow agent. The Contractor shall in all further and other respects bear its own costs arising as a result of the escrow.

- 2.5 Where, prior to conclusion of the services owing under the Contract, the Contract is terminated, the Contractor shall furnish BMW and any successor designated by BMW (hereinafter referred to in the aggregate as the “Successor”) with any and all reasonable support in order to facilitate orderly and seamless transition of the performance of the services to the Successor (“Termination Support”). The agreed compensation shall constitute full and final compensation for the costs of Termination Support.

The Contractor shall, as a part of the Termination Support, actively support the provision of all information to the Successor and shall make available to the Successor all information which the Successor may reasonably request. This shall, in particular, include:

- a. Active support in respect of Know-How transfers from the Contractor to the Successor.
- b. Provision of all relevant documents, information, documentation etc required for continuing the performance of the services (in the cases of electronic data, in the form requested by the Successor).
- c. Support by employees deployed by the Contractor for performance of the services.

### 3. Transfer of Title to Production Equipment

Where the transfer of title to production equipment has been agreed with the Contractor, as a prerequisite to a down-payment, the Contractor shall (depending on the agreement in the purchase order) document its intentions and its entitlement to a transfer of title prior to or respectively at the time of delivery, by executing the corresponding transfer agreement, which may be downloaded from the path <https://b2b.bmw.com> > login > departments > purchasing > purchasing indirect material > Übereignungsverträge or will be sent to the Contractor upon request, and the Contractor shall forward the executing documents together with the invoice via the

agreed means of transfer (eInvoicing or post) to BMW's Audit Unit.

#### **4. Documentation in Respect of Formal Acceptance**

Section 5.1, sentence 2 of the GTCs are more precisely specified as follows:

At the time of Formal Acceptance, the documents listed in section 2.8 of BMW's Production Equipment Rules on Documentation must be handed over. BMW's Production Equipment Rules on Documentation may be downloaded from the following path: <https://b2b.bmw.com> > login > applications > DMS im PEP > Directories Standards > Technology specific standards > Betriebsmittelvorschriften (BMV) or will be sent to the Contractor upon request.

#### **5. IT Production End Device**

Where the production equipment contains IT components which are temporarily or permanently linked to the BMW Group's production network ("**IT Production End Devices**"), the requirements in respect thereof shall be governed by the "Production Equipment Rules on IT Security, Production End Devices (IT-PEG)" as specified in BMW's Tender Documents. In particular, in respect of IT Production End Devices, the following provisions shall apply:

- 5.1 The IT Production End Devices must generally be fitted with the most recent version of the respective operating system at the time of delivery. Where this is not possible or unreasonable, the Contractor shall promptly inform BMW and shall agree to an upgrade arrangement in order to update the operating systems.
- 5.2 The Contractor hereby warrants to BMW that the IT Production End Devices do not contain any configuration settings or software (e.g. applications, services, local accounts and system components) which BMW has not requested or the Contractor has not explicitly offered and BMW has not accepted in writing in the individual case (**Undesired Content**). A list of potentially Undesired Content may be downloaded from the BMW Groups partner portal path <https://b2b.bmw.com> > login > departments > purchasing > purchasing indirect material > memoranda and attachments or will be sent to the Contractor upon request.

All Undesired Content must be removed / deactivated no later than when the IT Production End Devices are connected to the BMW Group's production network.

- 5.3 As of the time of delivery but in any event prior to connection of the IT Production End Devices to the BMW Group's production network, the Contractor must provide verification of performance of a standard vulnerability scan (**Scan**) according to the current state of the art. Necessary components of such Scans include, in particular, a complete port scan and a complete review of vulnerabilities. The IT Production End Device must pass the Scan without any func-

tional impairments or critical vulnerabilities. Where these criteria are not met, this must be documented and coordinated with BMW.

The reports, verifications and agreements required under this section 5 must be coordinated with BMW's Office of IT Security in Production ([peg\\_security@bmw.de](mailto:peg_security@bmw.de)).