Standard Terms and Conditions for Development Services Nexans autoelectric GmbH



1. Scope of application

- The legal relationship between the Supplier and its affiliates (collectively referred to as "Contractor") and Nexans autoelectric GmbH and its affiliates (collectively referred to as "Customer") on the implementation of development projects and the provision of development services (collectively referred to as "Development Services") is governed exclusively by the following Terms and Conditions for Development Services and any client-specific individual agreements which may prevail, even if their application is not expressly agreed upon again for each individual Development Service. The Contractor accepts these Terms and Conditions for Development Services at the latest upon commencement of Development Services for the Customer.
- These Terms and Conditions for Development Services shall apply to all types of Development Services, regardless of whether they are provided in Germany or abroad.
- The Customer hereby, as a matter of precaution, objects to any additional or deviating terms or conditions included in the Contractor's offers or acceptance messages. Such terms or conditions shall not become a component of this agreement on Development Services. Deviating standard terms and conditions used by the Contractor shall not apply in relation to the Customer, even if they are not expressly objected to in each individual case. Any additional provisions in the Contractor's standard terms and conditions shall not be applicable.
- The placement of an order, or the receipt of development results, or payments by the Customer made without an objection shall under no circumstances constitute an acceptance of other terms or conditions used by the Contractor.
- Ancillary agreements, modifications of, and amendments to these Terms and Conditions for Development Services shall only be applicable if confirmed in writing by the Customer.
- Messages sent electronically without a qualified signature shall only be deemed to comply with the written form requirement if the Customer accepts such form in the specific case.

2. Development Services by the Contractor

- Development Services by the Contractor which the Customer orders in purchase orders, LOIs or other agreements ("Individual Contract") shall be covered by the provisions of these Terms and Conditions for Development Services, except if expressly agreed otherwise in writing.
- The details of the Development Services to be provided by the Contractor, and of the development contributions which may have to be provided by the Customer, are defined in the relevant Individual Contract. Orders always include the preparation of the relevant documentation (drawings, CAD models etc.) of the Development Services
- In as far as the Customer makes available a product concept catalogue or specifications (drawings, models, samples, etc.), the Development Services shall comply with the requirements set out therein. Product concept catalogues and specifications may continuously be jointly updated during the development work.
- The Contractor shall request in writing and in good time any documents and/or materials which the Customer has agreed to provide to the Contractor, so that delays are avoided. The Contractor shall check whether such documents are up to date, complete and plausible, and shall promptly inform the Customer of any apparent inconsistencies.

3. Implementation of the Development Services

 The Contractor shall provide the services owed by him as part of the Development Services at his own responsibility and risk, with the highest level of diligence, and in accordance with acknowledged codes of practice. The Contractor shall carry out his work in accordance with all applicable laws on materials, environment and safety.

- The Contractor shall regularly report to the Customer on the progress and the interim results achieved. Irrespective of these reports, the Contractor shall promptly inform the Customer should delays or problems occur during the course of the project, in particular if the Contractor anticipates delays in connection with fixed deadlines.
- The Contractor shall provide the owed Development Services in accordance with the schedule agreed in an Individual Contract. The Customer is entitled to change the schedule, taking due account of the Contractor's interests.
- The Customer is entitled to request changes of the development object or the development work at any time. In as far as such changes lead to the cost or time limits being exceeded, the Contractor shall promptly notify the Customer thereof in writing. The parties shall enter into a separate written agreement regarding the adequate remuneration of any additional costs that may be incurred.
- Should the Contractor consider technical changes of the development objects compared to the specifications to be necessary or expedient, the Contractor shall promptly propose such changes to the Customer in writing. The Contractor shall only implement such changes with the Customer's prior written approval.
- At the end of the Development Services, the Contractor shall prepare a final report on the work provided and the knowledge and work results achieved ("Development Results"). The Contractor shall present the Development Results to the Customer. The final report shall be submitted to the Customer, together with all files, documents and data required to use the Development Results (in particular drawings, including exact, complete measurements and tolerance dimensions, CAD data and detailed models, sectional models and test results, research work, product concept catalogue and source code, if applicable).
- If agreed, the Contractor shall store/archive the Development Results in the Customer's and/or its client's system.

4. Acceptance

Written acceptance shall only take place once the Customer has inspected the Development Results, has tested prototypes and has found them to be in good order and in compliance with the product concept catalogue. A preliminary inspection of parts of the Development Services or of interim results and/or payments partially or in full by the Customer made without any objection shall not constitute an acceptance of the Development Results or of parts thereof.

5. Warranty, liability

- The Contractor's liability for the Development Results shall be governed by the statutory rules.
- Claims based on defects shall become time-barred after 36 months.

6. Rights to the Development Results

- The Contractor shall submit to the Customer for his non-exclusive, unrestricted, free use all Development Results (including know-how, test and development reports, software, ideas, drafts, designs, proposals, samples, models, etc.) which he creates or uses within the framework of the Development Services.
- In as far as the Development Results are eligible for protection ("New IP Rights"), such New IP Rights shall belong to the contracting partner whose staff has produced the underlying results. The Contractor shall promptly inform the Customer of any applications for IP registration, including information on the file number and application date.
- The Customer shall obtain permanent, worldwide, non-fee-based usage rights in the Contractor's New IP Rights and copyrights contained in the Development Results, for the Customer's own purposes, including use for development, manufacture and sale of the Customer's products.

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- Should an IP application result from a Development Service in which both the Contractor and the Customer are involved, the New IP Rights shall be owned jointly by the parties. Each contracting partner shall have ordinary, non-fee-based and unlimited usage rights in the jointly owned IP rights, including the sub-licensing rights. Each contracting partner shall bear the German statutory employee's invention fee for its employees.
- In as far as the contracting partners have agreed on a remuneration for the Development Services, the work results and the New IP Rights shall be owned exclusively by the Customer.
- In as far as any of the Contractor's existing IP rights and/or copyrights ("Existing IP Rights") are being used and are required for the subsequent exploitation of the Development Results, the Contractor shall grant the Customer the non-fee-based, non-exclusive, permanent, irrevocable usage rights, sub-licensable for the Customer's purposes.

7. Third-party IP rights

The Contractor shall provide the Development Services free from third-party IP rights. The Contractor warrants that use of the Development Services by the Customer will not infringe upon third-party IP rights. Any statutory liability for defects in title that goes beyond this shall not be affected by the above provisions. The Contractor shall inform the Customer of any applications for IP rights and of any third-party IP rights in connection with the cooperation which may restrict the exploitation of the Development Services and/or may lead to claims by third parties.

8. Confidentiality

- The contracting partners undertake to treat as business secrets all technical and commercial details that are not apparent and that they learn of from the other partner through, or in the course of, the Development Services.
- Drawings, models, templates, samples and similar objects shall not be provided or otherwise made accessible to third parties.
- The Contractor shall impose corresponding obligations upon his subcontractors.
- Separate confidentiality agreements for a development project shall prevail.

9. Cooperation and information obligation

The contracting parties shall each take all reasonable measures, and provide each other with all necessary information required to achieve the objective pursued with this contract, and shall refrain from any activities that may affect the achievement and maintenance of the objective of the contract.

10. Applicable law, place of jurisdiction

- The laws of the Federal Republic of Germany shall apply, to the exclusion of the conflict-of-laws rules and the United Nations Convention on Contracts for the International Sale of Goods.
- Nürnberg (Nuremberg), Germany, shall be the exclusive place of jurisdiction for all disputes under this contractual relationship.

11. Miscellaneous

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- Additional oral agreements have not been entered into. All
 modifications of, and amendments to this Agreement must be set out
 in writing and signed by authorized representatives of both parties. This
 shall also apply to any waivers of this written form requirement clause.
- Should any of the provisions in these Terms and Conditions be or become entirely or partially invalid, this shall not affect the validity of the remaining provisions. The invalid provision shall be replaced with retroactive effect with a provision that comes as close as possible to the economic intentions of the contracting partners.

- Any gaps shall be closed in accordance with applicable law.
- The German version of these Standard Terms and Conditions for Development Services shall prevail.

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