



Special Terms and Conditions for the Purchase of Development Services of IAV India Tech Private Limited

Version 1.0 (05/2026)

I. Validity of these terms and conditions

Subject to deviating agreements in individual cases, contracts for the purchase of services relating to research and development and IT, e.g. software development, with IAV (IAV India Tech Private Limited, Panchshil Tech Park - Hinjewadi, 2nd Floor Survey number 19 and 20, Rajiv Gandhi Info Tech Park Phase I- Industrial Area, Village Hinjewadi, Pune – 411057) are concluded in accordance with the respective development specifications and these Special Terms and Conditions for the Purchase of Development Services (hereinafter referred to as "Terms and Conditions") of IAV. Any conflicting or deviating general terms and conditions of the contractor shall only be binding on IAV if IAV has expressly accepted them in writing. These Terms and Conditions shall also apply if IAV accepts services without reservation in the knowledge of conflicting or deviating terms and conditions of the contractor.

1. These Terms and Conditions apply to all services and to all obligations resulting from a contractual relationship with the Contractor for the purchase of research and development and IT services. With regard to entrepreneurs and legal entities under public law, these Terms and Conditions also apply to all future business relationships for the purchase of development services.

II. Obligations to provide services and information

1. The contractor shall perform its services independently and on its own responsibility in accordance with the latest state of the art in science and technology and in accordance with the principles of proper professional practice, including the provision of appropriate documentation. The services owed include, in particular, compliance with IAV's development specifications, in which the respective project is described on the basis of technical requirements, deadlines, and quality objectives.
2. The contractor is obliged to use only qualified personnel to achieve the development goals. To this end, the contractor shall select and supervise the personnel with the utmost care and shall do its utmost to ensure the continuity of the composition of the required personnel during the project period. The employees deployed by the contractor are subject solely to the contractor's right to issue instructions. The contractor shall ensure that the right to issue instructions is exercised exclusively by him. The employees deployed by the contractor do not enter into an employment relationship with IAV, even if they perform services on IAV's premises.
3. The contractor shall perform its services in constant consultation with IAV and shall appoint a project manager to plan and monitor the deployment of personnel and the performance of services. The designated project manager of the contractor shall be the responsible contact person for IAV with regard to all matters relating to the project. IAV may make statements to this contact person with effect for the contractor. IAV may at any time request a replacement of the contractor's project manager, which the contractor may only refuse for good cause. The contact persons of the contracting parties shall hold regular coordination meetings on the content and implementation of the service provision. Questions regarding the execution of the contract and the provision of services shall be clarified exclusively by the respective contact persons of the contracting parties. Direct communication between the contractor and IAV's customers is not permitted without the prior written consent of IAV.
4. At the request of IAV, the contractor shall at all times allow access to the work results and working papers to be delivered, as well as to preliminary drafts, and shall prepare status reports upon request. The content and scope of the rights of use to the work results and other services of the contractor are set out in the General Terms and Conditions of Purchase of IAV.
5. IAV shall provide the contractor with reasonable support in the performance of the contractual services. It shall provide the con-

tractor with the necessary information and documents upon request, if necessary. Any further assistance shall require a separate written agreement. If information or documents, instructions or similar, in particular the requirements for the contractor's services provided to the contractor by IAV, are incomplete or incorrect in terms of content and the contractor is able to recognize this, the contractor shall be obliged to notify IAV of any defects in writing without delay, stating the reasons. Any technical, professional, or other specifications provided by IAV do not release the contractor from its obligation and responsibility to perform its services completely and without error.

6. To the extent required by the content of the project, all equipment necessary for the performance of the services shall be provided by the contractor at its own expense throughout the entire project duration. There is no entitlement to the provision of IAV facilities (premises, telecommunications, etc.) free of charge.
7. The contractor may, with prior approval from IAV, use Artificial Intelligence (hereinafter referred to as "AI") functions to perform its services and deliver its work results. The contractor assumes sole responsibility for the accuracy and reliability of the results generated by AI. In the event that AI becomes part of its work results, the contractor must ensure that the AI is integrated into the products and processes of IAV and its customers in such a way that they comply with the relevant regulations and can be put into operation, used, or placed on the market in accordance with the regulations.
8. The contractor undertakes to provide IAV with all information and documents necessary to comply with the relevant legal requirements. The contractor shall ensure that all information and documents provided are complete, correct, and up to date. The contractor further undertakes to inform IAV immediately of any changes or updates to the relevant information and documents that could affect compliance with legal requirements.
9. The integration of free and open-source software (hereinafter referred to as "FOSS") into software provided to IAV is only permitted with the prior written consent of IAV and in compliance with the respective FOSS license terms. FOSS is software whose license terms comply with the requirements of the "Open-Source Definition" of the "Open-Source Initiative" (available at <https://opensource.org/osd>) and is therefore made available to the general public by the respective authors for comprehensive and free use.
 - whose license terms are recognized by the "Open-Source Initiative" and/or the "Free Software Foundation" as free software licenses or open-source software licenses on their websites, and/or
 - which is offered as public domain software.

In the event of such integration of FOSS, the contractor shall provide IAV with a Software Bill of Materials (SBOM) in an orderly form at the latest upon delivery of the software, containing detailed information on (i) which FOSS (ii) which version, (iii) for what purpose it has been integrated into the software provided, (iv) which FOSS license terms apply, and (v) which obligations are associated with it. If the contractor incorporates FOSS without prior consent, the contractor shall, at IAV's request, do everything reasonable to replace FOSS with equivalent proprietary software.

10. With regard to possible competitive conditions, the parties undertake to carry out the respective project in accordance with applicable competition and antitrust law. In particular, competitively sensitive information will only be exchanged if this is permitted under applicable antitrust law. The exchange of such information shall be limited to what is absolutely necessary for the implementation of the respective project. The parties shall take appropriate precautions to ensure compliance with these obligations.

III. Acceptance

1. The contractor's services under a contract for work require written acceptance. The contractor shall declare readiness for acceptance in writing, submitting all service documents at least 14 working days

before the desired acceptance date. The service must fully meet all contractually agreed functions and requirements.

2. The prerequisites for acceptance are:

- Complete implementation of all requirements specified in the development specifications
- Successful completion of all agreed tests
- Submission of complete documentation
- Proof of stability and security
- Fulfilment of all legal requirements

3. Acceptance shall take place by means of a formal inspection and the signing of an acceptance report. Significant defects shall entitle IAV to refuse acceptance; minor defects shall be documented and remedied without delay. Significant defects are unfulfilled core functions, significant security defects or system instabilities, as well as errors that significantly impair the contractual use.

4. Partial acceptance is only permitted if expressly agreed and for economically separable partial services. The acceptance of partial services does not restrict IAV from asserting claims for defects in already accepted partial services at a later date, insofar as such defects only become apparent through the interaction of the system components. There is no entitlement to partial acceptance. The warranty period begins upon completion of the overall acceptance.

5. This paragraph applies additionally to IT services: The contractor shall provide complete user documentation in English for acceptance, including system architecture, interface descriptions, manuals, and test protocols. The handover shall include all service results, access data, and licenses. A comprehensive acceptance test shall be carried out, comprising functional, performance, security, and integration tests. The results shall be documented in the acceptance report. Productive use prior to formal acceptance shall be considered trial operation and shall not constitute acceptance.

IV. Remuneration

1. The contractually agreed remuneration is the fee for all agreed services. This applies accordingly to partial payments and the partial services specified for this purpose if it has been agreed that the remuneration is to be paid in parts. In both cases, an invoice may only be issued after acceptance/partial acceptance.

2. All services and expenses necessary to perform the contractual services and work results, including the transfer of inventions, rights of use, and exploitation rights, are covered by the agreed remuneration.

3. Fixed prices as well as hourly/daily rates or unit prices include all costs for travel necessary to perform the contractually owed services. The travel costs calculated in this respect shall be listed separately in the offer. If additional travel is necessary (e.g., for additionally scheduled project meetings), these shall only be reimbursed with the prior written approval of IAV. Such travel is subject to IAV's current travel expense policy, which will be made available to the contractor upon request. Travel time, additional meal expenses, etc. will not be reimbursed under any circumstances. Fixed prices, hourly/daily rates, and unit prices also include all other incidental costs, unless otherwise agreed in writing.

4. IAV will only make partial or advance payments if this has been agreed. Advance payments will only be made according to the progress of services. The progress of services must be verified by submitting proof of performance. The proof of performance must include at least the following information:

- Status of work/project status
- Milestones achieved to date, partial results, agreements on how to proceed
- Signatures of the contractor and IAV

5. The template available on request from the IAV contact person should preferably be used for the proof of performance. Please ensure that all relevant fields are completed. Partial invoices will only be paid if they are accompanied by the fully signed proof of

performance. The signing of the proof of performance by IAV or the payment of a partial invoice does not constitute (partial) acceptance of the services owed.

6. Invoices must always be sent to IAV India techs' accounting department in Pune (invoices-ia-v-india@ia-v.de). IAV pays within 30 days of receiving a valid invoice.

7. If Goods and Services Tax is payable on the remuneration, the contractor shall issue IAV with an invoice showing the tax owed by law. The contractor shall review and be responsible for the tax implications of the service provision and shall indemnify IAV against all claims resulting from violations of tax regulations. Further, all payments shall be subject to Tax Deducted at Source.

V. Confidentiality and data protection

1. With regard to the information received from IAV that is recognizably confidential, such as IAV's development specifications and other requirements, in particular of a technical and economic nature, in connection with the project and the services to be provided – including those of IAV's customers and the customers of IAV GmbH Ingenieurgesellschaft Auto und Verkehr – such as presentations, calculations, measurement results, prototype parts, designs, and software, even after the end of the contract, the contractor is obliged

- to use it only for the purposes of contract performance and to make it accessible only to those employees who need access for contract performance,
- not to make them accessible to third parties without the prior consent of IAV, and
- to protect it from unauthorized access, disclosure, or publication using the latest state-of-the-art security measures.

2. The above confidentiality obligations do not apply to information that was already lawfully known to the contractor prior to its disclosure, was independently developed by the contractor or otherwise lawfully obtained, or was or will become generally known without violating the above confidentiality obligations.

3. The contractor shall take appropriate measures to ensure that the employees, freelancers, and subcontractors it engages in the performance of the contract comply with the above confidentiality obligations.

4. Insofar as the contractor processes personal data on behalf of IAV as a processor within the meaning of Section 2(k) of the Digital Personal Data Protection Act, 2023 (DPDPA), the parties shall conclude a data processing agreement, which shall set out the data protection-specific rights and obligations of the parties and the details of the data processing. Insofar as the contractor is the data fiduciary within the meaning of Section 2(i) DPDPA with regard to personal data that becomes known to it in the course of concluding the contract, executing the contract, and providing services for IAV, the following shall apply: The contractor shall monitor compliance with data protection regulations within its area of responsibility. It shall familiarize its employees, agents, and/or vicarious agents with the relevant data protection provisions and require them to maintain confidentiality, unless they are subject to an appropriate statutory duty of confidentiality. It shall indemnify IAV against all claims by third parties arising from a breach of this obligation. In the event of a breach of this obligation by the contractor's personnel, the contractor shall be liable to IAV.

5. If a confidentiality agreement regarding the project has already been concluded between the parties in an individual contract for the duration of the project, this agreement shall take precedence over the provisions of this Clause V.

VI. Rules of conduct for business partners

1. With regard to business conduct and dealings with employees and business partners, society, and the environment, IAV is committed to integrity, a culture of values, fairness, and independence. In line with these corporate values, IAV has issued a Code of Conduct for Business Partners (Supplier Code of Conduct).

2. The provisions of the Supplier Code of Conduct are binding for the contractor and form an integral part of the business relationship with IAV. The contractor shall also pass on the Supplier Code of Conduct to its suppliers and subcontractors and shall make every

effort to oblige them to comply with it and to regularly review their compliance with the obligations.

3. IAV reserves the right to verify compliance with the provisions of the Supplier Code of Conduct at the contractor's premises after prior notification and in accordance with the applicable law. IAV will treat the information obtained during the verification as confidential. The contractor is obliged to assist in clarifying the facts in the event of a suspected violation of the Supplier Code of Conduct.
4. If a violation of the provisions of the Supplier Code of Conduct is found, IAV reserves the right to take appropriate measures depending on the severity of the violation and the extent of the contractor's fault. This includes, in particular, but is not limited to, a request to remedy the violation immediately, the assertion of claims for damages, and the termination of this contract.

VII. Customer protection

1. If the contractor is employed by IAV as a subcontractor in a customer project, it is obliged, for the duration of the subcontracting assignment and for a subsequent period of one year, not to engage in any business activity with this customer that involves the same or essentially the same services as those provided by (i) IAV or IAV GmbH Ingenieurgesellschaft Auto und Verkehr and (ii) the contractor provides on behalf of IAV for the customer. This applies regardless of whether this business activity is carried out directly or indirectly and regardless of whether this is done as a principal, representative, member of a governing body, employee, employer, investor, consultant, controlling shareholder, partner in a joint venture, or in any other capacity in their own name or on behalf of a third party.
2. Paragraph 1 shall not apply if the contractor did not obtain the opportunity to contact the customer and subsequently commence business activities for the customer through its position as a subcontractor. For the duration of the subcontracting assignment and a subsequent period of one year, it shall be presumed that the contractor obtained the opportunity to contact the customer through its activities as a subcontractor of IAV.
3. Paragraph 1 shall not apply to business activities with a customer who can be proven to have been part of the contractor's customer base for at least one year prior to the start of contract negotiations between the contractor and IAV.
4. If the contractor is engaged by IAV as a subcontractor in a customer project, the contractor is obliged to keep the identity of the customer confidential from third parties and to refrain from directly or indirectly disclosing or using information obtained as a result of his involvement as a subcontractor without the prior written consent of IAV.
5. In the event of a culpable breach of the obligations under paragraphs 1 and 4 of this Clause VII, the contractor shall be obliged to pay IAV for each case of infringement and, waiving the defense of continuation of the offense, a immediately due contractual penalty in the amount of INR 3,000,000.00. This shall not preclude IAV from claiming higher damages. Any contractual penalty forfeited shall be offset against claims for damages.
6. If IAV has concrete evidence of a breach of the above obligation, the contractor is obliged to provide IAV with full written information within two weeks on the extent to which it has engaged in business activities of the type described in paragraph 1 or disclosed or used information of the type described in paragraph 4 during the term of the customer protection agreement in accordance with this Clause VII.

VIII. Compliance with the Labor Codes

1. The contractor has represented to IAV that it is duly registered under the provisions of the erstwhile Employees Provident Fund, Act, Employees State Insurance Act and other relevant labor welfare Acts or duly registered under the provisions of applicable Labor Codes and has obtained the necessary Code numbers under these Acts or Codes.
2. The contractor while engaging its employees for the services shall observe all the rules and regulations under the labor codes and shall be responsible for ensuring that there will be no compensatory claims under this Terms and Conditions. The contractor agrees to issue a certificate to this effect as and when required by IAV. In case IAV is held responsible to discharge a

liability under any of the Labor Codes prevalent in the country for the services provided by the contractor in accordance with this Terms and Conditions, the contractor agrees to indemnify IAV against such laws, and compensate IAV for the same. The contractor shall disburse the wages to its employees in the presence of the authorized representative of IAV who shall counter sign the wage register to be maintained by the contractor in respect of its employees. IAV shall be entitled to deduct from the payment to the contractor the losses, which IAV may have to bear under Labor Codes, etc. for claims arising out to this Terms and Conditions.

3. The contractor shall maintain all the statutory registers and records in respect of its employees as prescribed in the concerned laws and shall duly and regularly file all the forms, returns and other records with the statutory authorities and shall provide a certified true copy thereof to IAV.

IX. Contract term and termination

1. The contract in accordance with these terms and conditions shall be concluded for the period specified in the order from IAV, provided that the contractor receives an order from IAV.
2. IAV shall be entitled to terminate the contract at any time with regard to work contract services until acceptance of all work results and with regard to service contract services until all services have been rendered on any day for the end of the following day.
3. If IAV terminates the contract for a reason for which the contractor is not responsible, the contractor shall be entitled to the agreed remuneration for all contractual services rendered up to the effective date of termination, plus compensation for proven costs for the provision of personnel and materials for a period of up to one month after the effective date of termination. If termination occurs for a reason for which the contractor is responsible, the contractor shall only be entitled to remuneration for those parts which IAV can use in a reasonable and economical manner, up to a maximum of the contractually agreed remuneration for all services recognized as contractual up to the time the termination takes effect. Further claims by the contractor are excluded.
4. IAV is entitled to partial termination. The above provisions shall apply mutatis mutandis to partial termination.
5. The right to extraordinary termination for good cause remains unaffected. Such good cause shall be deemed to exist in particular if the contractor
 - is working as a subcontractor for IAV on a customer project and the corresponding order from the customer to IAV for the project is canceled for a reason for which IAV is not responsible, or
 - commits a serious breach of Clauses V-VII.
6. In the event of termination for good cause, the contractor is entitled to invoice for services already rendered and proven until receipt of the notice of termination. The contractor shall have no further claims for payment or reimbursement of costs.
7. Termination for any reason must be in writing, whereby a digitally signed PDF document fulfills this formal requirement.
8. In the event of termination or other termination of this contract, the rights to all work results created up to that point shall be vested in IAV in accordance with the General Terms and Conditions of Purchase of IAV. All items provided by IAV to the contractor, regardless of whether they have been processed or are unprocessed, including all drawings and other documents, devices, and tools belonging to the contractor, shall be returned to IAV.

X. Migration support

1. If IAV has appointed a successor contractor for the contractor for the commissioned project, the contractor shall, at IAV's request, cooperate with the successor contractor during the last six months of the contract term in return for a market-standard remuneration to be agreed separately, in order to ensure a smooth transition of service provision to the new contractor. The contractor undertakes to cooperate proactively with the successor contractor during the migration phase.
2. The specific scope and content of the migration support for train-

ing, cooperation, and handover of service provision to the successor contractor by the contractor shall be carried out in accordance with a handover plan to be agreed between IAV, the contractor, and the successor contractor. Such a plan shall include, among other things, the following project-specific aspects:

- Handover of documentation, hardware, work results, etc. by the contractor,
- Subsequent documentation in the event of incomplete, missing, outdated, and/or incorrect documentation,
- Handover of ongoing tasks by the contractor to the successor contractor,
- Removal of technical interfaces by the contractor, if necessary,
- Data migration/data transfer,
- Project-specific knowledge transfer from the contractor to the successor contractor, e.g., in the form of workshops and work support, if necessary,
- Participation of the contractor in regular joint coordination meetings on the project.

XI. Place of jurisdiction and applicable law

1. The exclusive place of jurisdiction for all claims arising from the business relationship with merchants and legal entities under public law is Pune, India. This also applies to claims arising from checks, tort claims, and declarations of dispute. However, IAV is also entitled to sue contractors before any other court that has legal jurisdiction.
2. In the case of cross-border deliveries and services, Pune, India shall be the exclusive place of jurisdiction for all disputes arising from the contractual relationship. However, IAV reserves the right to sue contractors at its general place of jurisdiction or to bring proceedings before any other court that has jurisdiction.
3. All business and legal relationships between the contractor and IAV shall be governed exclusively by the laws of the Republic of India; the application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded.

XII. Final provisions

1. The transfer of contractual rights or obligations by the contractor requires the prior written consent of IAV to be effective.
2. The involvement of third parties in the provision of services requires the prior written consent of IAV. Notwithstanding the contractor's continuing responsibility and liability for the actions of third parties, the latter shall be subject to all the contractor's obligations and must have the same qualifications. In the absence of written consent, IAV shall be entitled to withdraw from the contract and claim damages. The contractor is not entitled to prohibit third parties from entering into service relationships with IAV.
3. The place of performance for all deliveries and services of the contractor is Pune, India, unless otherwise agreed.
4. For control purposes and within the framework of data protection regulations, IAV and any third party commissioned by IAV shall be granted access to appropriate documents and to the contractor's business premises in order to verify compliance with the contractual obligations.
5. In addition to and, in the event of contradictions, subordinated to these Terms and Conditions, the General Terms and Conditions of Purchase and the Supplier Code of Conduct of IAV shall apply. The current versions of these documents are available on the IAV website at <https://www.iav.com/en-in/india/general-terms/> and can also be sent to the contractor upon request.
6. Should any of the above provisions be or become invalid, this shall not affect the validity of the remaining provisions.