

General Purchasing Terms and Conditions of VW AG/ General Procurement/ Hotel Group Bookings (version dated 6 December 2019)

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General Purchasing Terms and Conditions of VW AG/General Procurement/Hotel Group Bookings (version dated: 6 December 2019)

1. Applicable law

The contracts entered into and the realisation, validity, interpretation and implementation of such contracts as well as all additional legal relationships existing between the parties, in accordance with the following contractual conditions, shall be governed by the laws of the Federal Republic of Germany, excluding the provisions of the UN convention on the sale of goods (CISG), as far as no other agreements have been made in individual cases.

2. Definition of terms

The following terms are used in these contractual conditions:

- VW AG: Volkswagen Aktiengesellschaft
- VW companies: companies affiliated with VW AG in accordance with section 15 et seq. of the German Stock domestic and foreign companies to which VW AG is linked via equity holdings of at least 50%
- VW: VW AG and/or VW companies
- Corporation Act (Aktiengesetz), and In the event that the Purchasing Terms and Conditions, the contractual conditions for security in the supply chain and for VW AG's proof of origin and the Volkswagen Group requirements regarding sustainability in relationships with business partners (Code of Conduct for Business Partners) are not enclosed with the request or the contract award, these can be obtained via www.vwgroupsupply.com

3. General information

The following provisions regulate the legal relationships between VW and the participating service providers in connection with the initiation, reservation, booking and settlement of group bookings and/or events. Unless otherwise agreed, the current versions of the Purchasing Terms and Conditions valid at the time of contract conclusion, the contractual conditions for security in the supply chain and for VW AG's proof of origin and the Volkswagen

Group requirements regarding sustainability in relationships with business partners (Code of Conduct for Business Partners) shall be made elements of the contract.

3.1.

The following contractual provisions will be included in the individual contract, in the following order of priority (see also vwgroupsupply.com):

- Order letter from VWAG
- Negotiation record
- These General Purchasing Terms and Conditions of VW AG/General Procurement/Hotel Group Bookings
- Service request including the service specification

3.2

The subject matter of the individual contracts is the rental of hotel rooms for accommodation purposes, as well as any other services and conference services for the organisation of events (e.g. seminars, conferences, workshops, banquets, exhibitions and presentations etc.) and any associated additional services which the service provider provides for VW.

3.3

Upon submitting a written tender, the service provider accepts the exclusive validity of these General Purchasing Terms and Conditions of VW AG.

None of the business terms and conditions used by the contracting party shall become an integral part of the contract, even in the event that they are not expressly objected to upon conclusion of the contract. Other agreements shall only be valid in the event that VW expressly authorises the inclusion of the contracting party's business terms and conditions in writing.

3.4

Conflicting business terms and conditions shall not affect the contract's realisation, provided the parties have reached an agreement on all significant points. In such cases, the concordant provisions of both sets of business terms and conditions and the relevant legal regulations shall apply as regards the contract's interpretation.

4. Tenders

4.1

Tenders to VW must be made in writing in accordance with sections 126 and 126a of the German Civil Code (BGB) and must be free of charge. These tenders are always to be prepared in German. However, a data exchange procedure which deviates from the above may be specified in the call for tenders.

4.2

Unless otherwise agreed, the pre-printed forms issued by VW should be used for the submission of tenders, which should contain all the information required by VW.

4.3

In the event that the tender is submitted on the basis of a request or call for tenders from VW, the tendering party shall be obliged to comply with the guidelines issued by VW. VW should be expressly informed of any deviations which may occur despite this. The tendering party shall be free to submit alternative tenders and specific proposals.

4.4

Only complete tenders encompassing all the requested services should be submitted.

4.5

All prices should be stated in the tendering party's national currency (if this is not the euro, then in euros as well and if necessary including currency hedging shown separately). Unless otherwise agreed, all prices shall be fixed prices. In the event that the price quotation does not specify whether the prices include VAT, these should be interpreted as gross prices.

4.6

Tenders should always be addressed to the purchasing office specified in the tender documentation.

4.7

In the case of a request or call for tenders by VW, the tendering party shall be bound to its tender for the duration of the period named therein, or else for the duration specified by the tendering party (though not less than 10 days). In the event that neither party expressly states a validity period, this shall be

deemed to be 4 weeks from the time VW receives the tender.

4.8

In the event that the tendering party fails to conform to the aforementioned regulations, VW shall reserve the right to disregard the ensuing tender.

5. Conclusion of a contract

5.1

In principle, contracts with VW shall be concluded in writing.

5.2

The respective individual contract is concluded through the order letter.

5.3

The service provider must hold room reservations until the arrival of the respective VW traveller unless they are expressly cancelled by VW. The service provider shall accept VW substitute persons at any time for VW travellers for whom bookings have already been made.

6. Terms

6.1

In particular, the contracting party ensures that VW travellers are not affected by overbooking.

Should overbooking nonetheless occur, VW travellers must be provided with accommodation in an equivalent or better hotel and room category. The agreed prices apply uniformly for all rooms booked, irrespective of their actual category.

6.2

Unless expressly stipulated otherwise, the agreed conference flat rates apply for each event.

6.3

VW must order in advance any services associated with the organisation of the event. The service provider must specify in detail any additional services to be provided in connection with this event and these must be countersigned by a VW manager. Otherwise, no charges shall be incurred. The agreed rates and conditions pursuant to the

concluded contract and/or the order letter shall apply.

6.4

All prices are fixed until final completion of the scope of delivery and services. The stipulated conditions (individual prices, terms of payment etc.) apply to any and all future amendments to the scope of delivery/service.

6.5

Technical equipment and group rooms will be billed on the basis of actual usage, normally from the start of the event at the earliest.

6.6

No personnel or other service costs will be incurred, even for services provided after 10:00 pm.

6.7

Rented rooms shall be available to VW travelers from 3:00 pm on the day of arrival until 11:00 am on the day of departure.

7. Terms of payment

7.1

An invoice must comply with the statutory requirements stipulated in sections 14, 14a of the German Value Added Tax Act (UStG). Details must be easily and clearly verifiable. The agreed charges/contract rates are fixed net prices subject to VAT. The tax rate and applicable tax amount must be indicated on the invoice.

If the invoice includes deliveries and other services which are subject to varying tax rates, tax rates and applicable tax amounts are to be shown for individual service components.

All billed charges and the applicable amount of VAT must be stated in the tendering party's national currency (if this is not the euro, then in euros as well).

Section 33 of the German Value-Added Tax Implementing Regulation (UStDV) shall apply mutatis mutandis for an invoice with a total amount that does not exceed EUR 250.

7.2

VW AG shall not be required to provide advance payments/deposits. This excludes sureties in the form of a credit card guarantee.

7.3

VW will not bear costs for discounts or other fees for payment methods.

7.4

Unless otherwise individually agreed in writing in a specific instance, payment shall be made 30 days after receipt of the goods, services, or other performance, or, if VW receives an invoice after receiving the goods, services, or other performance, 30 days after receipt of this invoice.

8. Other obligations of the service provider

8.1.

Prior to the conclusion of the contract, the contracting party must notify VW of any existing exclusivity agreements with competitors of VW.

8.2

The service provider warrants that it has all licenses, permits and approvals required by national law to provide the contractually stipulated services for the term of the contract.

8.3

The service provider must provide the agreed services in good time, as stipulated in the individual contract.

8.4

The service provider is obliged to maintain the facilities and agreed accommodation in a clean and tidy condition which is appropriate for the term of the contract, and must provide the promised services in proper condition.

The service provider must notify VW without delay of any problems or uncertainties in connection with the provision of its services.

8.5

The service provider warrants that it will immediately review any complaints and respond to them in good faith. The service

Provider warrants that, in case of justified complaints, it will address any shortcomings relating to the contractually owed service within 24 hours and tender suitable remedial action. Incidents that are serious or hazardous to health must be addressed immediately.

8.6

The booked rooms (including any group rooms and technical equipment) shall be exclusively available to VW for the booked period. Prior occupancy of rooms booked by VW less than two hours prior to the start of use, or re-letting of them less than two hours following the end of use, shall be permitted only upon express consultation with VW. Upon request, VW must be immediately provided with

written information concerning the rooms such as floor plans, dimensions, suspension points, load-bearing capacity etc. A competent contact must be available for VW in the building on the day of the event, including during construction and dismantling periods.

8.7.

In case of an existing bonus agreement between the hotel (chain) and VW, the revenue of the specific contract is to be included in the bonus calculation. If VW is in the possession of a member/ loyalty card of the hotel (chain), the points of the contract are to be credited without further request.

9. Cancellation terms/non-use of services (no-show)

VW is entitled to cancel bookings free of charge, in whole or in part, as follows:

9.1 Rooms and/or seminar flat rates

Number of total booked room units/conference participants* within individual contingents, events or group bookings (6 or more rooms/conference participants)				
Proportion of total stipulated volume which can be cancelled free of charge (room units/seminar participants)	6–70 total room units/ -seminar participants* per event	71–150 total room units/ -seminar participants* per event	151–250 total room units/ -seminar participants* per event	251 or more total room units/ -seminar participants* per event
100%	up to 28 days	up to 56 days	up to 112 days	up to 175 days
70%	up to 21 days	up to 42 days	up to 91 days	up to 112 days
50%	up to 14 days	up to 35 days	up to 49 days	up to 91 days
30%	up to 10 days	up to 28 days	up to 21 days	up to 21 days
20%	up to 7 days	up to 7 days	up to 14 days	up to 14 days

In addition:	6 to 30 total participants may cancel 5 rooms and related individual services such as seminar flat rates/evening meals etc. free of charge up to 6:00 pm on the day of arrival			
	31 to 50 total participants may cancel 8 rooms and related individual services such as seminar flat rates/evening meals etc. free of charge up to 6:00 pm on the day of arrival	up to the day before arrival (6:00 pm) 2 rooms/seminar participants	up to the day before arrival (6:00 pm) 4 rooms/seminar participants	up to the day before arrival (6:00 pm) 5 rooms/seminar participants
	> 50 total participants may cancel 10 rooms and related individual services such as seminar flat rates/evening meals etc. free of charge up to 6:00 pm on the day of arrival			
*Overall room units = maximum total number of room units on individual event days *Seminar participants = maximum total number of seminar participants on individual event days				

In the event of cancellations and/or no shows, a maximum of 80% of the agreed room price/ seminar flat rate may generally be charged in all of the above-mentioned cases (room price = overnight stay excluding breakfast).

In general, cancellations on one or more days must be offset by additional bookings on one or more other days.

9.2

Participants will book themselves into block reservations by contacting the service provider and quoting a predetermined keyword. Unused rooms will automatically be available for rent by the service provider as per a predetermined date. Volkswagen AG does not guarantee any minimum number of room contingents. Participants in individually booked rooms may cancel free of charge by 6:00 pm on the day of arrival.

9.3

Seminar/group rooms (not covered by seminar flat rates)

Proportion of seminar/group rooms booked outside of seminar flat rates which may be cancelled free of charge	Period
100%	up to 28 days
50%	up to 14 days
30%	up to the start of the event

Prior to the start of the event, in case of a cancellation by VW, the room fee may be charged for the first event day (excluding handling charges) for separately booked conference rooms, on the basis of the above or below sliding scale.

9.4

Additional food & beverage (F&B) services (beyond seminar flat rates)

Proportion of F&B services booked outside of seminar flat rates which may be cancelled free of charge	Period
100%	up to 10 days
50%	up to 1 day
0%	on the day of the event

Irrespective of the above-mentioned period of time, there will be no charge for the cancellation of agreed beverage flat rates.

9.5

The day (or first day) of the main event and not, for example, the early arrival date of event participants, shall be decisive when calculating the cancellation period. The service provider must provide prompt confirmation of cancellation in written form.

The service provider is obliged to make every effort to sell the cancelled services (seminar rooms, guest rooms etc.) elsewhere. In such cases, VW will not incur any cancellation charges. The service provider will also provide Volkswagen AG with information on whether and on which terms cancelled services have been offered and sold. Volkswagen AG reserves the right to inspect the proof of occupancy as per the time of cancellation.

Any cancellation payment by Volkswagen AG may be offset within a period of 12 months by future services by the service provider (including individual and group rooms, seminar services, room rental fees for events and additional F&B services).

The cancellation terms also apply for trade fair periods as indicated by the service provider.

The service provider's claims in the event of a cancellation are conclusively regulated by the previous paragraphs. Any claims to costs beyond these are excluded.

10. Invoicing

10.1

Invoicing – general procedure:

The invoice address is indicated in the respective contract.

The service provider will create an invoice immediately after the end of the event and send it to VW.

The order number must be stated on each invoice.

The individual services must be listed separately on the invoice as follows:

- Seminar flat rate price
- Technical equipment for conference
Coffee breaks/beverages
- Room rental fee (sections 14, 14a UStG).

Payment shall be made in consideration of contract specifications regarding which services will be self-paid and which on account

- Price of overnight stay (excluding breakfast)
- Price of food per meal
- Price of breakfast
- Price of lunch (including beverages)
- Price of evening meal (including beverages)

Other services such as parking charges etc. will be listed separately on the invoice.

The invoice must indicate that the seminar flat rate does not include entertainment expenses.

All required documentation must be enclosed. The invoices must be issued in accordance with the German value-added tax law.

10.2

Payment against invoice (with a reference number):

Invoices are only to be sent electronically using the following means:

- Via the online Group Business Platform, free of charge
www.vwgroupsupply.com → Login → Information → Tools → Finance Appli-

cation (FIN)

- Sent directly via EDI, Electronic invoices sent via a preselected provider.

For more information, please contact e-invoice@volkswagen.de.

For justified exceptional cases, following consultation with the Volkswagen AG Accounting department (e-invoice@volkswagen.de), paper invoices can be sent to:

Volkswagen AG
Accounts payable
38436 Wolfsburg
Germany
P.O. Box 1852

Auditable invoices must be submitted with the supplier number, purchase order, request number, BM number, the account and the name of the ordering party at VW. All required documentation must be enclosed. The invoices must be issued in accordance with the German value-added tax law (sections 14, 14a UStG). Accounting records such as credit notes, debit notes and electronic payment notifications will be sent in electronic form via EDI or can be downloaded from the finance application at www.vwgroupsupply.com → Login → Information → Tools → Finance Application (FIN).

11. Non-assignment clause

11.1

The assignment of a claim, regardless of its content, always requires written agreement from VW. Assignments carried out without the required authorisation shall be deemed invalid. VW shall only refuse consent if, in an isolated case, following a review, the interests of VW in maintaining the claim relationship outweigh the interests of the contracting party in the intended assignment.

11.2

In the event that the assignment of a monetary claim according to section 354a of the German Commercial Code (HGB) shall take effect despite VW's refusal to consent in accordance with clause 11.1, the assignor is to compensate VW for all incremental

costs which may have been incurred as a result of the assignment.

12. Rights of retention and offsetting

12.1

Any limitation of VW's rights to assert a right of retention as regards claims made by the contracting party or to offset any claims against the contracting party shall be invalid.

12.2

VW AG and VW companies shall be entitled to claims asserted by VW AG and the VW companies in their capacity as joint creditor.

12.3

VW AG and VW companies may allocate or offset their claims against claims by the contracting party. All material and procedural rights to which the contracting party may be entitled as regards a claim against the joint creditor also exist adverse to the remaining joint creditor.

12.4

In the case of claims made by the contracting party against VW AG and the VW companies, VW AG and VW companies shall be entitled to offset or allocate the claims of the contracting party against claims of VW AG and those of the VW companies.

12.5

The above regulations shall also apply in the event that, on the one hand, cash payment and, on the other, the allocation of bills of exchange has been agreed or in the event that the reciprocal claims are due on different dates, whereby the settlement shall take place in accordance with value dates. This entitlement shall apply to the balance in the case of ongoing monetary transactions.

12.6

The contracting party shall refrain from objecting to VW's assignment of the claim to be offset in the case of a claim majority.

12.7

Upon request, VW AG shall provide a list of the VW companies entitled to carry out group offsetting.

13. Illegal interference with competition

Using appropriate organisational measures, the party contracting with VW shall be obliged to ensure that no employee dealing with VW commits any criminal offences against competition within the meaning of the German Penal Code (StGB) and in accordance with sections 17 and 18 of the German Unfair Competition Act (UWG).

14. Proprietary rights, nondisclosure, obligation to secrecy and advertising

14.1

VW reserves its proprietary rights and copy rights in connection with diagrams, drawings, calculations, other documentation and models and samples. Third parties may not be granted access to these materials without VW's explicit consent. These materials should be used solely to fulfil the terms and conditions of the contract entered into and must be returned to VW, unsolicited, after handling.

14.2

The company symbols and trademarks of VW must be attached as required by VW. Merchandise thus identified may only be used for the event booked by VW.

14.3

The contracting party is obliged to treat all industrial and trade secrets as confidential. Trade and business secrets include, in particular, all business and personal data, development, research and planning data, quotations, responses to quotations, documents from enquiries regarding forward/global sourcing processes, other enquiries and all associated processes, as well as confidential information received verbally or in writing, knowledge gained, results from work, expert opinions and materials, samples, drawings, computer simulations, data, files, information from the Volkswagen supply net and hardware and software provided or produced. This also includes vehicles, components and parts of vehicles not representing series production status, and all trials, trial instructions and planning together with their results, and information relating to employees of VW. The term "confidential" applies to all information, knowledge or materials provided in the event of an order, or cooperation with VW, or that are labelled or recognized as such, as well

as those of which premature knowledge would be useful to a competitor, as well as all personal data pursuant to the EU General Data Protection Regulation in conjunction with the Federal Data Protection Law. This shall not apply insofar as the disclosing party explicitly waives the confidentiality requirement either in full or in part in writing. The nondisclosure agreement shall not apply to information or confidential items which were evidently already known to the public at the time of their disclosure, i.e. had been published or were generally accessible or already known, or became known to the public through no fault of the contracting party, or were lawfully made public after their disclosure to the contracting party by a third party without limitations in regard to their nondisclosure or use, or have to be made public due to a binding official or judicial order or mandatory legal provisions and VW was informed thereof in sufficient time in advance of the required disclosure in writing.

Industrial and trade secrets may only be recorded if required for the purpose of the contract. When keeping information confidential, the contracting party shall act with the due diligence and care of a prudent and conscientious business person, but at the least with the same care it would apply when handling its own confidential information.

The contracting party shall use the information and documents that have been or will be made accessible to it in the context of its cooperation with VW only for the purpose of fulfilling its contractual obligations relating to this contract. The same applies to the results, data and knowledge gained in conjunction with this contract or the individual contracts.

VW has the right to publish the technical, commercial or organizational details of affiliated companies in the context of section 15 ff. of the German Stock Corporation Act (AktG), provided that these affiliated companies undertake to maintain the corresponding confidentiality.

The contracting party undertakes to immediately safeguard all information and data belonging to VW from access by unauthorised third parties in line with state-of-the-art technology as far as is possible and reasonable, safeguarding it in particular from theft, loss, manipulation, damage and re-

production. Should the contracting party have information indicating that unauthorised third parties have become privy to the information and data, it shall inform VW immediately and introduce all measures required in agreement with VW to resolve the situation, and if appropriate to prevent future unauthorised access.

Should the contracting party save, process or handle the information and data in its data processing systems, it shall ensure that unauthorised third parties shall not have access to the data.

The contracting party undertakes to return all information, data, documents and storage media to VW on completion of the order. Furthermore, the contracting party shall remove all of the data and information from its data processing systems, and also either return all replicated data and storage media to VW or destroy that information in a way that prevents it from being reconstructed, whichever VW requests it to do. The contracting party shall present VW with written confirmation of the complete return or destruction of said data.

The contracting party undertakes to comply with all provisions relating to data protection regulations as amended, and shall observe these provisions. The contracting party shall inform its entire staff of the respective provisions of the data protection regulations and shall obligate its staff to observe data secrecy. The corresponding statements shall be presented to VW or its data protection officers on request.

Insofar as not otherwise prescribed by legal or official provisions, and insofar as not otherwise agreed, the confidentiality and nondisclosure agreement shall be valid in each case for five years from the date on which the contract between VW and the contracting party is signed.

15. Liability and liability insurance

The contractual parties shall be liable amongst themselves within the framework of the legal provisions, provided that no alternative agreements have been made.

The contracting party shall be obliged to take out a business liability insurance policy and an environmental liability insurance policy with adequate indemnity limits per claim for personal injury, material damage and financial loss and to maintain the aforementioned policies for the duration of the contract.

In the event that the insurance contract stipulates a maximum indemnity limit for all claims made within any one insurance year, this must correspond to at least double the indemnity limit stipulated per claim.

The insurance policies, including the relevant terms and conditions of insurance and proof that the premium payments have been made, must be sent to VW within two weeks upon request. Proof of the continuation of the insurance must also be provided during the contractual term at VW's request. A lack of proof shall entitle VW to terminate the contract on the grounds of just cause.

16. Data storage

If the contracting party receives access to personal data when rendering contractual services, it shall observe the valid data protection provisions, process data solely for the purpose of rendering the contractual services (use for a specific purpose), in particular with regard to personal data, ensure that its staff has access to data only where this is absolutely necessary, obligate its staff in writing to practise nondisclosure, inform its staff of the data protection regulations they must comply with, and provide us with evidence thereof on request. The contracting party agrees to protect personal data using state-of-the-art technology. In the event that the contracting party is commissioned by VW to process personal data, and before the contracting party receives access to the personal data from VW, the respective data protection agreement shall be signed, which will be provided by VW. The contracting party ensures

that personal data pertaining to VW or VW customers shall only be processed within the territory of the Federal Republic.

17. Subcontractors

Unless otherwise agreed in the context of a special agreement or VW is unable to infer anything to the contrary from the contents of the order as related to the contracting party's performance capacity, the contracting party shall be obliged to perform all obligations associated with the order within its own company.

Any use of subcontractors by the contracting party may only take place with VW's prior consent, regardless of whether VW was in a position to recognise or anticipate this upon signing of the contract.

18. Divergent agreements

Any amendments to the contract shall only be valid in the event that these are agreed in writing. This shall also apply to the above-mentioned requirement for the written form.

19. Continued validity in the event of partial invalidity

19.1

In the event that one or more of the provisions in or of the present contractual clauses is or becomes invalid, the validity of the remaining clauses and the validity of the contract itself shall not be affected.

19.2

In the event that any loopholes should be identified during the performance of the Agreement, these shall be rectified by means of provisions that correspond as closely as possible to the commercial purpose of the Agreement.

20. Place of jurisdiction

The place of jurisdiction shall be Wolfsburg, Germany, as far as this is permissible.