



## **§ 1 Contractual Terms and Conditions**

1. These Terms and Conditions of Sale and Delivery (hereinafter the "Terms and Conditions") apply exclusively to all contracts concerning the sale of goods and the provision of services (hereinafter the "Delivery Item") by Knorr-Bremse Systems for Rail Vehicles Kazakhstan LLP (hereinafter "Knorr-Bremse") to companies, legal entities under public law, and special public funds.
2. Any terms and conditions of the Customer that conflict with or deviate from these Terms and Conditions shall not apply, unless Knorr-Bremse has expressly confirmed their validity in writing.
3. Amendments or supplements to these Terms and Conditions must be agreed in writing. For this purpose, the exchange of documents in text form (including electronic form, such as email or scanned copies) shall be deemed sufficient.
4. These Terms and Conditions shall also apply if Knorr-Bremse executes a delivery or renders services without reservation while being aware of conflicting or deviating terms and conditions of the Customer.

## **§ 2 Conclusion of Contract**

1. All offers, price lists, and other commercial information provided by Knorr-Bremse Systems for Rail Vehicles Kazakhstan LLP (hereinafter "Knorr-Bremse") are non-binding and subject to change.
2. A quotation issued by Knorr-Bremse does not constitute a legally binding offer. The Customer may submit an offer on the basis of such quotation, which Knorr-Bremse may accept within a reasonable period of time by written confirmation or by commencing performance.
3. The conclusion of the contract is subject to the proper and timely delivery of goods and services to Knorr-Bremse by its own suppliers (self-supply reservation). Knorr-Bremse shall promptly inform the Customer if such delivery becomes impossible and shall return any payments already received.
4. Verbal agreements, commitments, or side arrangements shall only become effective upon confirmation by Knorr-Bremse in writing. For this purpose, the exchange of documents in text form (including electronic communication such as email or scanned documents) shall be sufficient.

## **§ 3 Goods and Services**

1. Knorr-Bremse shall supply the Delivery Item in accordance with the agreed technical specification and the final definition of the Delivery Item (hereinafter the "Design Freeze"). Any subsequent changes shall only be binding if Knorr-Bremse has expressly confirmed them in writing (text form, including electronic communication, shall be sufficient) and if an agreement on any corresponding adjustment of remuneration has been reached.
2. The documentation provided together with the Delivery Item may not in all respects correspond to the Delivery Item itself. In particular, deviations may arise where the Delivery Item has been modified at the Customer's request from Knorr-Bremse's standard design.
3. Unless expressly designated as binding, statements in the documentation of the Delivery Item or in other documents shall not constitute a guarantee or warranty of specific characteristics.
4. Services shall only be provided by Knorr-Bremse if they have been expressly agreed in the contract.

## **§ 4 Obligation of the Customer to Cooperate**

1. The Customer shall designate a responsible contact person for Knorr-Bremse and ensure that such person is authorised to provide binding instructions and decisions.
2. The Customer shall support Knorr-Bremse in the execution of the Delivery Item to the extent reasonably possible. This includes, in particular, providing Knorr-Bremse with all necessary and useful information, documents, data, manufacturing parts, components, and software (hereinafter "Material") required for the proper fulfilment of the contract.
3. Where the Customer provides Knorr-Bremse with Material, the Customer warrants that it is entitled to transfer and authorise the use of such Material and that Knorr-Bremse's use thereof does not infringe any third-party intellectual property rights. Materials provided electronically must be delivered in a technically sound condition and shall, in particular, be free of viruses, trojans, malware, or other harmful software.
4. If the Material required for the fulfilment of the Delivery Item is not provided by the Customer in a form suitable for the contract purpose, in particular not in customary industry formats (e.g. CAD or other standard file formats), Knorr-Bremse shall be entitled to claim reasonable compensation for the additional effort and costs incurred as a result.

## **§ 5 Delivery; Delivery and Performance Period**



1. Documentation owed by Knorr-Bremse may be provided in English, Kazakh or Russian at Knorr-Bremse's discretion, unless another language is expressly agreed.
2. Delivery and performance dates stated by Knorr-Bremse are non-binding unless expressly confirmed in writing (text form, including electronic communication, shall be sufficient). The delivery or performance period shall not commence until all commercial and technical matters between the parties have been clarified and the Customer has duly fulfilled all obligations to cooperate. Where a Design Freeze applies, the delivery or performance period shall commence no earlier than upon completion of the Design Freeze. If the Customer delays or fails to fulfil obligations to cooperate or provide information, the delivery and performance period shall be extended by at least the period of such delay.
3. Compliance with delivery and performance periods is subject to Knorr-Bremse receiving correct and timely delivery from its own suppliers (self-supply reservation). Furthermore, Knorr-Bremse's contractual performance is conditional upon the granting of any required governmental approvals, export and import permits, and product certifications applicable in the Republic of Kazakhstan or abroad.
4. If the statutory requirements are met, Knorr-Bremse shall be entitled to exercise rights of retention, including the defence of non-performance.
5. Knorr-Bremse shall promptly notify the Customer of any foreseeable delays. Liability for damages due to delay is governed by § 9 of these Terms and Conditions.
6. Unless otherwise agreed in the order confirmation, delivery shall be made DAP or FCA (country of destination) in accordance with Incoterms® 2020. The Customer is obliged to take delivery of the Delivery Item immediately upon receipt of Knorr-Bremse's delivery notification.
7. Partial deliveries and partial performance are permissible provided they are reasonable for the Customer.
8. The Customer shall not be entitled to refuse acceptance of the Delivery Item due to minor or insignificant defects.
9. In the event of force majeure or other comparable circumstances that are unforeseeable, unavoidable, and extraordinary (including, but not limited to, war, terrorist attacks, government restrictions on imports and exports, operational disruptions, shortages of raw materials, labour disputes, strikes, lockouts, epidemics, or pandemics), the agreed delivery periods shall be extended accordingly, but by no more than six (6) months. Knorr-Bremse shall not be liable for any resulting damages provided Knorr-Bremse is not responsible for such disruption.
10. If Knorr-Bremse is responsible for failure to meet bindingly agreed deadlines or dates, the Customer may claim compensation for delay. The amount and conditions of such compensation shall be determined in the respective individual contract, provided that any compensation shall be limited to the foreseeable and contract-typical damage.
11. If the Customer intends to withdraw from the contract due to Knorr-Bremse's failure to meet binding deadlines or dates and/or to claim damages in lieu of performance, the Customer must first grant Knorr-Bremse a reasonable grace period for delivery in writing and explicitly warn of its intention to withdraw or claim damages should delivery not be affected within such period.

## § 6 Price, Payment

1. The agreed net prices apply and are payable in Euros (EUR), unless otherwise expressly agreed in writing. Prices are quoted in accordance with the Incoterms® 2020, as specified and agreed between the parties in the respective contract, and are subject to statutory value-added tax (VAT), delivery costs, customs duties and levies, and any other applicable public charges.
2. Where Knorr-Bremse undertakes assembly, installation, or commissioning, the related working hours, travel expenses, accommodation costs, and other expenses shall be invoiced separately.
3. Payment for partial deliveries and services shall become due upon completion of the respective partial delivery or service and the issuance of the corresponding invoice.
4. The price of the Delivery Item(s) shall be paid in full, without any set-off or deduction, within thirty (30) calendar days from the date of signature of the Delivery Note (DN), unless otherwise expressly agreed in writing.
5. If, after conclusion of the contract, there is a material deterioration in the Customer's financial position or if there are reasonable doubts as to the Customer's solvency or creditworthiness which may jeopardise Knorr-Bremse's entitlement to payment, Knorr-Bremse may require advance payment or the provision of an appropriate security. The Customer may provide proof that Knorr-Bremse knew or should have known of such circumstances prior to contract conclusion.
6. Knorr-Bremse shall be entitled to adjust the agreed remuneration if unforeseeable and significant cost changes (increases or decreases) occur between contract conclusion and delivery/performance that affect relevant price components and are beyond Knorr-Bremse's control. Such cost changes may result, in particular, from new or amended duties, taxes, or legal regulations, fluctuations in material or manufacturing costs (including energy), labour costs, transport or freight charges (including customs duties, import/export taxes), or exchange rate fluctuations.



7. Price adjustments shall also follow recognised labour and material indices applicable in the country or countries of origin of the goods, insofar as such indices are relevant to the cost calculation of the Delivery Item.
8. In addition, foreign currency indexation shall apply: where payments are made in Kazakhstani tenge (KZT), the EUR/KZT exchange rate published by the National Bank of Kazakhstan on the date of signature of the Delivery Note (DN) shall be used as the binding conversion rate. The relevant cost components shall be stated in the quotation. Any adjustment shall reflect the change in the relevant cost component proportionately to its share in the Delivery Item.
9. In case of late payment by the Customer, Knorr-Bremse shall be entitled to charge interest on arrears at the rate agreed between Knorr-Bremse and the Customer in written form. Knorr-Bremse reserves the right to claim further damages caused by default.
10. The Customer may only exercise rights of set-off or retention if its counterclaims are legally established, undisputed, or expressly acknowledged by Knorr-Bremse. Any assignment of claims against Knorr-Bremse, other than claims for payment, shall require Knorr-Bremse's prior written consent.

### **§ 7 Warranty and Liability for Defects**

1. Knorr-Bremse's warranty is limited to compliance with the agreed specification and the definitively defined Delivery Item in accordance with § 3(1) of these Terms and Conditions. Knorr-Bremse does not provide a warranty for compliance with objective or implied requirements beyond the agreed specification.
2. In the case of a purchase agreement or a contract for labour and materials, the Customer shall inspect the Delivery Item immediately upon receipt and shall notify Knorr-Bremse in writing without delay of any obvious defects. If the Customer fails to notify Knorr-Bremse, the Delivery Item shall be deemed accepted, unless the defect was not detectable during such inspection. If such hidden defect is discovered later, notification shall be made immediately after its discovery; otherwise, the Delivery Item shall likewise be deemed accepted in respect of such defect.
3. Knorr-Bremse shall, at its discretion, provide supplementary performance either by repair or by replacement delivery. Any period for supplementary performance set by the Customer must be reasonable. Where Knorr-Bremse provides replacement delivery or rectification, the Customer shall return the defective Delivery Item to Knorr-Bremse to the extent reasonably possible. If supplementary performance is only achievable at disproportionate cost, Knorr-Bremse may refuse it.
4. In the case of a purchase agreement or a contract for labour and materials, the Customer may, in accordance with the statutory provisions of the Republic of Kazakhstan, withdraw from the contract, reduce the purchase price, and/or claim damages if supplementary performance has failed twice.
5. Additional expenses, in particular transport, travel, labour, and material costs, shall not be borne by Knorr-Bremse if they arise from the Delivery Item being brought to a place other than the agreed delivery or fulfilment location, unless Knorr-Bremse expressly agreed to such relocation or was aware of it as part of the intended use.
6. Claims for defects are subject to a limitation period of 12 (twelve) months, commencing upon delivery of the Delivery Item. The warranty period shall not restart as a result of supplementary performance.

### **§ 8 Retention of Title**

1. Knorr-Bremse retains the title of the Delivery Item until all claims arising from the entire business relationship with the Customer have been settled in full.
2. The Customer is entitled to process or combine the Delivery Item in the ordinary course of business. In such cases, Knorr-Bremse shall acquire co-ownership of the new item in proportion to the value of the Delivery Item supplied by Knorr-Bremse relative to the other components at the time of processing or combination. The Customer hereby assigns such co-ownership rights to Knorr-Bremse as security. The Customer shall store the items in which Knorr-Bremse has ownership or co-ownership free of charge and with due care.
3. The Customer is entitled to resell the Delivery Item in the ordinary course of business. To secure all claims of Knorr-Bremse under § 8(1), the Customer hereby assigns to Knorr-Bremse all receivables arising from such resale, together with all ancillary rights, whether or not the Delivery Item has been processed or combined. The Customer remains authorised to collect such receivables until revocation by Knorr-Bremse. Knorr-Bremse may revoke this authorisation if the Customer is in default of payment in an amount equivalent to at least two average invoices.
4. Following revocation, the Customer shall, upon Knorr-Bremse's request, immediately provide in writing (text form, including electronic communication, is sufficient) a list of all purchasers of Delivery Items subject to Knorr-Bremse's ownership or co-ownership, together with the receivables arising therefrom.



Upon request, the Customer shall also provide notarised documents evidencing the assignment of receivables at its own expense.

5. Until transfer of ownership, the Customer may neither pledge nor assign the Delivery Item as security. The Customer shall clearly mark the Delivery Item as Knorr-Bremse's property, shall handle it with due care, and shall insure it at its own expense at replacement value against risks of fire, water damage, and theft. The Customer shall perform necessary maintenance and inspection work on the Delivery Item at its own expense and in due time.

### **§ 9 Liability**

1. Knorr-Bremse shall be liable without limitation for damages caused by intent or gross negligence.
2. In the case of ordinary negligence, Knorr-Bremse's liability shall be limited to damages that are foreseeable and typical for the contract, and only if an obligation is breached that is essential for the proper execution of the contract and on which the Customer may regularly rely (material contractual obligation).
3. The above limitations and exclusions of liability shall not apply in cases of fraudulent concealment of defects, assumption of an express guarantee, liability under mandatory provisions of the legislation of the Republic of Kazakhstan including liability for damage to life, health, or personal safety.
4. Where Knorr-Bremse's liability is excluded or limited, the same shall apply to the personal liability of its employees, staff, representatives, and vicarious agents.

### **§ 10 Third-Party Rights**

1. Knorr-Bremse warrants that the Delivery Item is free from third-party rights or copyrights that would prevent its contractual use by the Customer.
2. If a third party asserts a justified claim against the Customer for infringement of an intellectual property right or copyright (hereinafter "Property Rights") by a Delivery Item supplied by Knorr-Bremse and used in accordance with the contract, Knorr-Bremse shall, at its own discretion and expense: a) obtain for the Customer the right to continue using the Delivery Item, b) modify the Delivery Item so that it no longer infringes, or c) replace the Delivery Item with an equivalent non-infringing item. If none of the above can reasonably be achieved, Knorr-Bremse shall take back the Delivery Item and reimburse the purchase price.
3. The obligations under § 10(2) apply only if the Customer promptly notifies Knorr-Bremse in writing of the asserted claims, does not acknowledge the infringement, and leaves Knorr-Bremse with sole authority to conduct the defence and any settlement negotiations.
4. If the Customer discontinues use of the Delivery Item, it shall make it clear to the third party that such discontinuation does not constitute an acknowledgement of infringement.
5. Claims of the Customer are excluded if the alleged infringement of Property Rights results from: specifications provided by the Customer, use in an application not foreseeable by Knorr-Bremse, or modification or combination of the Delivery Item with other items not supplied by Knorr-Bremse. Any further claims of the Customer are excluded. § 9 (Liability) remains unaffected, as does the Customer's statutory right to withdraw from the contract.

### **§ 11 Intellectual Property, Reverse Engineering, and Data**

1. Knorr-Bremse retains ownership and copyright in all samples, cost estimates, illustrations, drawings, calculations, software, templates, and other technical or commercial documents (collectively, "Documents"). Such Documents may not be reproduced, disclosed to third parties, or used by the Customer directly or indirectly without Knorr-Bremse's prior written consent, regardless of whether they are marked as confidential. Knorr-Bremse reserves the right to claim damages for any breach.
2. Where Documents form part of the contractual scope of delivery or services, the Customer is granted only a simple, non-exclusive right of use limited to the agreed purpose and linked to the corresponding Delivery Item. Use for any other purpose is excluded.
3. The Customer shall not reverse engineer, decompile, disassemble, or otherwise analyse Delivery Items or Documents received from Knorr-Bremse, including by observation, testing, or examination.
4. To the extent that the Delivery Item generates or stores non-personal data about its own condition during operation ("Machine Data"), Knorr-Bremse shall be the exclusive owner of such Machine Data. Knorr-Bremse may use, exploit, and retrieve Machine Data without restriction, including for maintenance, quality improvement, and product development. For this purpose, the Customer shall grant Knorr-Bremse reasonable physical or remote access to the Delivery Item, unless this is impossible or manifestly unreasonable.



5. If the Delivery Item contains software, such software may be subject to special terms of use referred to in the contract or service description. By placing an order, the Customer accepts such terms of use. For third-party software, the relevant third-party licence terms shall apply; the licence is concluded directly with the third party. Unless otherwise agreed, the Customer acquires only a simple right of use to the object code of the software supplied with the Delivery Item. The Customer shall have no right to access the source code. The Customer shall not reproduce, distribute, modify, or reverse engineer the software.

## **§ 12 Confidentiality**

1. "Confidential Information" means all business, marketing, technical, scientific, financial, commercial, and other information, including but not limited to specifications, designs, plans, drawings, software, prototypes, process techniques, and trade secrets, which: are expressly marked or identified as confidential at the time of disclosure; are communicated under circumstances reasonably indicating confidentiality; or by their nature would be regarded as confidential by a reasonable businessperson. Confidential Information may be disclosed in physical, verbal, electronic, or any other form.
2. The Customer undertakes to treat all Confidential Information as strictly confidential, to refrain from disclosing it to any third party, and not to use it for any purpose other than the proper performance of its contractual relationship with Knorr-Bremse. Disclosure shall be limited to those of the Customer's employees, consultants, or subcontractors who have a strict need to know and are bound by confidentiality obligations at least equivalent to those set forth herein.
3. Confidential Information must not be disclosed, either directly or indirectly, to any persons or entities domiciled in the Russian Federation or the Republic of Belarus. The use of Confidential Information in Russia or Belarus is strictly prohibited, including by the Customer's employees, subsidiaries, or affiliated companies.
4. Prior to the transfer of any Confidential Information, the Customer shall, upon Knorr-Bremse's request, enter into a separate non-disclosure agreement (NDA) with Knorr-Bremse. The disclosure of Confidential Information shall only take place after such NDA has been duly executed.
5. The confidentiality obligations set forth in this § 12 shall not apply to information which the Customer can demonstrate: a) was already publicly known at the time of disclosure or subsequently becomes public knowledge without breach of this Agreement; b) was lawfully in the Customer's possession prior to receipt from Knorr-Bremse; c) was lawfully obtained from a third party who is not bound by any confidentiality obligation; or d) was independently developed by the Customer without use of or reference to Knorr-Bremse's Confidential Information.

## **§ 13 Export Control**

1. The Customer shall at all times comply with all applicable export control, customs, sanctions, embargo, and other foreign trade regulations of the Republic of Kazakhstan, the European Union, the United States of America, and any other applicable jurisdiction ("Export Control Regulations"), provided that their application does not result in a violation of or conflict with blocking or anti-boycott regulations applicable to the parties.
2. The Customer warrants that: a) any goods, services, software, and technology ("Delivery Items") provided by Knorr-Bremse, and any replicas thereof, shall not be used, directly or indirectly, in any manner that contravenes Export Control Regulations; b) the Customer is not a natural or legal person, entity, or body that is restricted or prohibited under Export Control Regulations (a "Sanctioned Person"), nor owned or controlled by a Sanctioned Person; c) the Delivery Items shall not be, directly or indirectly, made available to or for the benefit of any Sanctioned Person; and d) the Delivery Items shall not be exported, re-exported, sold, transferred, or otherwise made available, directly or indirectly, to any person in or for use in Russia or Belarus.
3. Upon Knorr-Bremse's reasonable request, the Customer shall provide all necessary information and documentation required to obtain relevant export authorisations, including information on the end use, end user, and final destination of the Delivery Items. The Customer shall take all appropriate measures to prevent circumvention of Export Control Regulations, including diversion to prohibited destinations.
4. Delays resulting from audits or approval proceedings under Export Control Regulations shall suspend delivery and performance deadlines accordingly.
5. Knorr-Bremse shall be entitled to withdraw from or terminate the contract if performance of the contract becomes restricted or impossible due to Export Control Regulations, or the Customer, knowingly or negligently, violates the obligations under this § 13.
6. The Customer shall indemnify and hold Knorr-Bremse harmless from any claims, damages, costs, or expenses arising from a breach of this § 13 or from any violation of Export Control Regulations by the Customer or its downstream partners.



## **§ 14 Business Partner Screening and Compliance**

1. In accordance with the Knorr-Bremse Group compliance policy and applicable international regulations, the establishment or continuation of any business relationship with the Customer is subject to the successful completion of a mandatory business partner screening.
2. For this purpose, the Customer shall, upon request, promptly provide Knorr-Bremse with accurate and complete documentation and information regarding its legal entity, including but not limited to:
  - certificate of incorporation or equivalent document in the Customer's jurisdiction;
  - tax registration certificate or equivalent;
  - current version of the company charter and all amendments;
  - resolution on appointment of the executive body;
  - power of attorney, where applicable;
  - completed and signed Business Partner Questionnaire (in English);
  - signed confidentiality agreement (NDA);
  - signed Declaration of Commitment to Export Control Regulations;
  - signed End-Use Certificates (EUCs) for each purchase order and shipment.
3. Knorr-Bremse reserves the right to suspend or withhold deliveries until the requested documents and information are provided and the business partner screening is successfully completed.
4. Should the Customer's internal policies require screening of Knorr-Bremse Systems for Rail Vehicles Kazakhstan LLP, Knorr-Bremse shall, upon request, provide corresponding documentation to the Customer's legal or compliance department.
5. If the Customer refuses or fails to provide the required information or if the screening reveals risks that are incompatible with Knorr-Bremse's compliance policy, Knorr-Bremse shall be entitled to refuse delivery, suspend performance, or withdraw from the contract without liability.

## **§ 15 Place of Jurisdiction and Governing Law**

1. The sole place of jurisdiction for all disputes arising out of or in connection with these Terms and Conditions shall be the competent courts of Astana, Republic of Kazakhstan. Alternatively, at Knorr-Bremse's discretion, proceedings may be brought before the competent court at the registered office of the Customer or at the place of performance of the delivery or service.
2. These Terms and Conditions and all contractual relationships between Knorr-Bremse and the Customer shall be governed exclusively by the laws of the Republic of Kazakhstan, excluding its conflict-of-law rules and excluding the application of the United Nations Convention on Contracts for the International Sale of Goods (CISG).