



# **GENERAL TERMS AND CONDITIONS OF SALE**

## **THALES DIS DANMARK A/S**

**Version 1.1 – March 2023**

## **Table of Contents**

|     |                                                     |    |
|-----|-----------------------------------------------------|----|
| 1.  | DEFINITIONS.....                                    | 3  |
| 2.  | CONTRACTUAL DOCUMENTS.....                          | 3  |
| 3.  | PRICES - PAYMENTS.....                              | 4  |
| 4.  | TAXES .....                                         | 6  |
| 5.  | TEST AND ACCEPTANCE .....                           | 6  |
| 6.  | DELIVERY - TRANSFER OF RISK - STORAGE .....         | 7  |
| 7.  | TRANSFER OF OWNERSHIP .....                         | 8  |
| 8.  | LIQUIDATED DAMAGES FOR DELAY .....                  | 8  |
| 9.  | WARRANTY .....                                      | 8  |
| 10. | GENERAL CONDITIONS OF DELEGATION OF PERSONNEL ..... | 9  |
| 11. | OBLIGATIONS OF THE BUYER.....                       | 10 |
| 12. | FORCE MAJEURE.....                                  | 10 |
| 13. | EXCEPTIONAL WORLD EVENTS – SHORTAGE.....            | 11 |
| 14. | HARDSHIP CLAUSE.....                                | 11 |
| 15. | COMPLIANCE WITH INTERNATIONAL TRADE LAWS .....      | 12 |
| 16. | LIABILITY .....                                     | 12 |
| 17. | TERMINATION – PRODUCTS’ END-OF-LIFE.....            | 13 |
| 18. | INTELLECTUAL PROPERTY RIGHTS.....                   | 13 |
| 19. | CONFIDENTIALITY .....                               | 15 |
| 20. | ASSIGNMENT AND CHANGE OF CONTROL .....              | 15 |
| 21. | PROTECTION OF PERSONAL DATA .....                   | 15 |
| 22. | WASTE ELECTRICAL AND ELECTRONIC EQUIPMENT .....     | 17 |
| 23. | ANTI-CORRUPTION AND INFLUENCE PEDDLING .....        | 17 |
| 24. | APPLICABLE LAW .....                                | 18 |
| 25. | DISPUTE RESOLUTION .....                            | 18 |
| 26. | AUDITS .....                                        | 18 |
| 27. | MISCELLANEOUS .....                                 | 19 |

## 1. DEFINITIONS

The following terms as used in the singular or plural in these General Terms and Conditions of Sale (hereinafter, the "GTCS"), shall mean:

|                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| "Affiliate(s)":                 | any company directly or indirectly controlled by the Seller, which directly or indirectly controls the Seller, or which is directly or indirectly controlled by a company directly or indirectly controlling the Seller, either by capital or by voting rights. In accordance with article 7 (2) of the Danish Company Act, a company is presumed to exercise control where it holds, directly or indirectly more than 50 % of the voting rights                                                                                                                                                                         |
| "Buyer":                        | any person, company, public or private entity, who purchases Product(s), Software(s) and/or Service(s) provided by the Seller.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| "Data":                         | any digital representation of acts, facts or information and any compilation of such acts, facts or information, including in the form of sound, visual or audiovisual recordings. Data may include, but is not limited to: <ul style="list-style-type: none"><li>- personal data of the end-users of the Products, Software and/or Services, made available to the Seller by the Buyer (hereinafter referred to as "Personal Data");</li><li>- operational and technical performance data used and/or generated for the execution of the Order, such as logs (hereinafter referred to as "Performance Data").</li></ul> |
| "Documentation":                | the technical and/or commercial documents and user manuals associated with the Product(s), Software(s) and/or Service(s) to be delivered by the Seller to the Buyer hereunder.                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| "Intellectual Property Rights": | all registered intellectual property rights (such as patents, trademarks) and all unregistered intellectual property rights granted by law (such as but not limited to copyright, design rights, data base rights, topography rights) and any information, Documentation (such as design and manufacturing data package), Data, specific tools (such as Data process), blueprints, plans, diagrams, models, formulae and specifications, know-how and trade secrets.                                                                                                                                                     |
| "Offer":                        | all documents (and any amendments thereto) including without limitation commercial, technical and/or financial documents sent by the Seller to the Buyer together with the GTCS.                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| "Open Source Software":         | a software program that is subject to an open source license i.e. to any license which terms (i) create, or purport to create, obligations of the user with respect to the user's software programs or any derivative work thereof; or (ii) grant, or purport to grant, to any third party any rights to or immunities under the user's intellectual property or proprietary rights in the user's software programs or any derivative work thereof. Open Source License include, without limitation, the GNU General Public License.                                                                                     |
| "Order":                        | any order (including attachments) issued by the Buyer under the Offer, if any Offer, for the purchase of Product(s), Software(s) and/or Service(s), which has been expressly accepted by a duly authorized representative of the Seller, with or without reservation.                                                                                                                                                                                                                                                                                                                                                    |
| "Party/ies":                    | depending on the context, either the Buyer or the Seller or the Buyer and the Seller.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| "Product":                      | the product (including Software embedded in the product) and associated Documentation, which is the subject hereof.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| "Seller":                       | Thales DIS Danmark A/S , a Danish public limited liability company whose registered office is located at Industriparken 39, 2750 Ballerup, Denmark , registered in the Danish Company Register under number 16882194.                                                                                                                                                                                                                                                                                                                                                                                                    |
| "Service":                      | the services associated with the Product/Software, subject hereof.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| "Software":                     | any computer program, whether or not incorporated into the Product, which is the subject hereof.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| "T0":                           | the start date of the delivery schedule for the Product/Software/Documentation and/or the performance schedule for the Services, as defined in the Offer or in the Order accepted by the Seller.                                                                                                                                                                                                                                                                                                                                                                                                                         |

## 2. CONTRACTUAL DOCUMENTS

## **2.1 Offer**

The Seller's Offer is governed by the GTCS.

The Offer may be amended or withdrawn by notice from the Seller to the Buyer at any time up to the date of acceptance of the Order.

The Offer shall remain valid for a period of one (1) month from its date of issue or such other period as may be specified in the Offer.

The Seller shall not be bound in any manner whatsoever until the Order is expressly approved by a duly authorized representative of the Seller.

## **2.2 Order**

All Orders shall be governed by the GTCS, unless otherwise expressly agreed in writing by the Seller.

It is expressly agreed that the Buyer's terms and conditions of purchase and any other document issued by the Buyer shall not be applicable.

The Parties shall have exchanged in full transparency such information as they consider to be material to their consent to enter into the Order on the basis of the Seller's Offer, if any.

The governing language of the Order shall be English.

The Order, subject to prior acceptance by the Seller, shall become effective on the date on which all of the following conditions are met:

- (i) receipt by the Seller of the down payment in accordance with article 3.2 (Payments),
- (ii) notification (or confirmation) to the Seller of the opening of the operative and confirmable documentary credit in strict compliance with the provisions of said article 3.2 (Payments), and
- (iii) if applicable, receipt by the Seller of the end-use certificate, in accordance with the provisions of article 16 (Compliance with international trade laws), duly signed by the Buyer (and, if applicable, by the end-user).

If the above conditions are not met within three (3) months from the date of the Seller's acceptance of the Order or within any other time period agreed between the Parties, such Order shall automatically be deemed null and void and of no effect.

## **2.3 Contractual documents**

The contractual documents constituting the agreement of the Parties are the following:

- (i) The Order(s);
- (ii) The Seller's Offer, if any;
- (iii) The GTCS, including their annex(es).

In the event of contradiction or inconsistency between the above documents, said documents shall prevail in the order in which they are listed.

## **3. PRICES - PAYMENTS**

### **3.1 Price**

The prices are fixed and firm during the Offer period, unless otherwise specified in the Offer.

The prices are valid for a period of thirty (30) days from their date of issuance, unless extended by the Seller by written notice to the Buyer or for any other period otherwise specified in the Offer.

The prices are established for delivery of the Product, Software and/or Documentation according to the Incoterm mentioned in the Offer. If not specified in the Offer, the applicable Incoterm is Free Carrier (FCA) Seller's shipping site (Incoterms® of the International Chamber of Commerce - 2020 Edition).

The prices are established excluding VAT (Value Added Tax) in Denmark and free of any tax, duty or any other charge payable outside Denmark which will be exclusively borne and paid by the Buyer, as specified in article 4 (Taxes).

In the event of default in the performance of the Order, Buyer may accept the Products, Software and/or Services at a reduced price only after obtaining Seller's prior written consent to the principle of reducing the price and the amount of such price reduction.

### **3.2 Payments**

#### Direct debit

All payments shall be made in favor of the Seller, without any deduction of any kind, to the credit of its bank account mentioned in the Offer or in the invoice sent by the Seller.

#### Currency

Unless otherwise stipulated in the Offer, the currency of account, invoicing and payment is the Euro (EUR).

#### Terms of payment

Except as otherwise provided in the Offer, payments shall be made as follows:

- A down payment of thirty percent (30%) of the total amount of the Order shall be due and paid to the Seller by bank transfer to the Seller's account within thirty (30) calendar days from the date of the Seller's acceptance of the Order (as a condition of the Order's entry into force as provided in article 2.2 (Order)), against remittance to the Buyer of a commercial invoice for the same amount.
- The balance of seventy percent (70%) of the total amount of the Order shall be paid by the Buyer by bank transfer to the credit of the Seller's account within thirty (30) calendar days from the date of issuance of the invoice.

The Seller reserves the right to demand:

- (i) the provision by the Buyer of a bank guarantee issued by a first class bank guaranteeing payment by bank transfer, or
- (ii) in lieu of payment by bank transfer, payment by documentary credit issued (and operative) within thirty (30) calendar days from the date of the Seller's acceptance of the Order (as a condition of entry into force of the Order as provided in article 2.2 (Order)), by a first class bank (to be approved by the Seller), notified or confirmed (at the Seller's option) by a bank designated by the Seller.

In case of payment by means of a documentary credit pursuant to (ii) above, the validity of such documentary credit shall extend until three (3) months after the later of (i) the date of the last delivery of the Product/Software/Documentation, or (ii) the date on which the Services have been performed, and shall be extendable by periods of three (3) months upon request of the Seller in order to allow its full use.

The documentary credit shall be payable as and when the Product(s)/Software(s) is (are) delivered and the Services are performed against presentation to the advising (or confirming) bank of the following documents (or copies thereof):

- Commercial Invoice; and

in the case of delivery(ies) of Product(s)/Software/Documentation:

- FIATA Forwarders Certificate of Receipt (FIATA FCR), or bill of lading or Air Waybill (AWB), or any other document evidencing delivery, or storage certificate issued by the Seller in case of storage as referred to in article 6 (Delivery – Transfer of risk - Storage), as applicable,
- Acceptance Certificate of the corresponding billing milestone (delivery note, qualitative and quantitative acceptance, Factory Acceptance Certificate (FAT), Site Acceptance Certificate (SAT) as defined in Article 5 (Test and Acceptance);

in the case of the performance of Services:

- Certificate of Completion as indicated in article 5.3 (Services' acceptance).

All bank charges for the documentary credit in the Buyer's country shall be borne by the Buyer and all bank charges for the documentary credit in the Seller's country shall be borne by the Seller.

The documentary credit shall be governed by the Uniform Customs and Practice for Documentary Credits issued by the International Chamber of Commerce (Revision 2007 - Publication No. 600, with the exception of its Article 32). It shall include authorization for transshipment and partial use in case of partial deliveries.

The said documentary credit shall be issued in accordance with the template annexed to the GTCS.

If the documentary credit does not comply with the provisions of this Article, the Seller shall be entitled to delay delivery without incurring any liability for such delay and the right to renegotiate prices accordingly. All costs and expenses incurred by the Seller as a result of such delay shall be borne and paid by the Buyer.

#### Late payment by the Buyer

In the event of late payment, the Buyer shall pay the Seller, automatically and without prior notice, late payment interest calculated according to the interest rate applied by the Danish National Bank to its most recent refinancing operation, increased by eight (8) percentage points, in accordance with Section 5 in the Danish Interest Act. In this case, the rate applicable during the first half of the year concerned is the rate in force on January 1<sup>st</sup> of the year in question. For the second half of the year concerned, the rate applicable is the rate in force on July 1<sup>st</sup> of the year in question.

In addition to the late payment interest, the Buyer shall pay the Seller, as of the first of delay in payment, a payment notice with a late payment fee of DKK 100 will be sent to the Buyer, in accordance with section 9b, subsection 2 of the Danish Interest Act. A maximum of three (3) payment notices will be sent, with a 10 days interval. Buyer's failure to make payment in accordance with the foregoing shall entitle the Seller to forward a debt collection letter. A further fee of DKK 100 will apply to such letter. Furthermore, an additional fee, the size of which depends of the size of the original claim will apply. In non-consumer cases a supplementary fee of DKK 310 will apply.

Buyer's failure to make payment in accordance with the foregoing shall entitle the Seller, without prejudice to any other rights or remedies, to suspend performance of all or part of the Order and any other order in force and/or to terminate the Order, after the Buyer has been given formal notice of default by registered letter with acknowledgment receipt which has remained without effect.

In addition, Buyer may request a down payment of one-hundred (100%) of the Order amount prior to any new shipment under the Order in force and/or any other order placed by the Buyer.

## **4. TAXES**

All taxes, duties, fees, etc., of any kind whatsoever, relating to or connected with the performance of the Order, existing and future and due in Denmark, shall be borne and paid by the Seller, except for Danish VAT, Buyer's corporate income tax, and Buyer's employee income tax, which if applicable shall be payable by the Buyer in addition to the Order price.

All taxes, duties, fees, customs duties, VAT, etc., of any kind whatsoever, relating to or connected with the performance of the Order, existing and future, payable outside Denmark, shall be borne and paid by the Buyer in addition to the prices.

Unless otherwise stipulated in the Offer/Order, the Buyer, in its capacity as importer, shall carry out the import customs clearance formalities and shall pay in addition to the prices all taxes, duties, fees and other charges due upon importation directly to the competent authorities.

Should Buyer be required, by the effect of existing or future Tax Treaty or by law, to make any deduction or withholding from any payment to Seller under the Offer and/or related Orders, the amount of the payment by the Buyer shall be increased to the extent necessary to ensure that, after such deductions or withholdings, Seller receives payment equal to the amount it would have received (e.g. invoice value) had no such deduction or withholding been required.

In the event that the Seller is required to pay taxes, duties, fees, etc. of any kind, existing and future, outside of Denmark, the Buyer agrees to reimburse the Seller within thirty (30) days from the date of receipt of Seller's invoice therefor. In the event that such reimbursement is not permitted by applicable law, the price of the Order shall be increased to cover the cost incurred by the Seller.

The provisions of this article 4 (Taxes) shall survive performance of the obligations under the Order or expiration or termination of the Order.

## **5. TEST AND ACCEPTANCE**

### **5.1 Factory acceptance**

Unless otherwise provided in the Offer, upon completion of manufacture and prior to delivery, the Product/Software shall be subject to factory acceptance tests (hereinafter referred to as "FAT") to be performed at the Seller's factory to verify that the Product/Software complies with the technical specifications set forth in the Offer.

Unless otherwise provided in the Offer, the Product/Software will be deemed accepted by the Buyer upon delivery thereof.

FAT shall be performed by the Seller in accordance with Seller's quality assurance procedures in effect at the time of such FAT.

At Buyer's request, the Seller shall inform the Buyer of the anticipated dates of performance of the FAT. Subject to compliance with applicable Danish law, the Buyer shall have the right to delegate one representative to attend the FAT provided that notice is sent to the Seller at least seven (7) calendar days before the anticipated date of commencement of the FAT. Failure of the Buyer's representative to attend to the FAT shall not delay or prevent the performance of the Factory Tests. In such case, the Seller shall carry out the FAT alone.

Upon successful completion of the FAT, the Seller shall issue and submit for the Buyer's signature a Factory Acceptance Certificate (hereinafter referred to as the "Factory Acceptance Certificate") to be signed by the Buyer within two (2) calendar days from the date of submission. Should the Buyer refuse to sign the Factory Acceptance Certificate, the Buyer shall notify Seller in writing of the reasons thereof within the two (2) calendar day period referred to above.

Any non-conformity discovered during FAT affecting the operational use of the Product/Software shall be corrected by the Seller, and then the Product/Software shall be re-tested in accordance with the above mentioned procedure. Non-conformities not affecting the operational use of the Product/Software do not constitute a valid reason for refusal to sign the Factory Acceptance Certificate. Such non-conformities will be corrected by the Seller before delivery.

Should Buyer fail to sign the Factory Acceptance Certificate within the above-mentioned period of time without substantial reason, or should Buyer fail to attend the FAT despite notice from the Seller, then the Seller may (i) sign the Factory Acceptance Certificate alone and (ii) issue a written statement certifying that the Buyer did not attend the FAT or refused to sign the Factory Acceptance Certificate without substantial reason or without notifying the Seller of the reasons for its refusal. In such event, such statement along with the Factory Acceptance Certificate bearing the sole signature of the Seller shall then have the same force and effect as if the Factory Acceptance Certificate had been signed by both Parties.

All expenses incurred by the Buyer's representatives in attending the FAT are not included in the price quoted in the Offer and shall be fully borne and paid for by the Buyer.

## **5.2 On-site acceptance**

Unless otherwise provided in the Offer, upon delivery or upon completion of installation after delivery, the Product/Software shall be subject to on-site acceptance tests (hereinafter referred to as "SAT"). The SAT shall be performed in accordance with the procedures submitted by the Seller to the Buyer prior to the anticipated dates for the commencement of such SAT.

Once the Product/Software has passed the SAT, an On-Site Acceptance Certificate (hereinafter referred to as the "On-Site Acceptance Certificate") shall be issued and signed by the Parties in accordance with the provisions of article 5.1 (Factory acceptance) which shall apply *mutatis mutandis*.

If, for any reason not attributable to Seller, the SAT cannot be performed within thirty (30) calendar days after the date of delivery of the Product/Software, the Seller shall issue a written statement that an On-Site Acceptance Certificate has not been signed. Such written statement shall entitle the Seller to receive payment under the Order as if such SAT had been successfully completed. The issuance of such written statement shall not prejudice the Buyer's right to have the SAT performed at a later date in accordance with the provisions of this article.

Use or operation of all or part of the Product/Software by Buyer or any third party other than the Seller prior to acceptance as aforesaid shall automatically constitute full acceptance of such Product/Software, with all the effects thereof.

## **5.3 Services' acceptance**

Unless otherwise provided in the Offer, upon completion of the Services, the Parties shall sign a certificate (hereinafter referred to as the "Completion Certificate") for each Service. This signature shall take place no later than five (5) calendar days from the date of presentation of said Certificate of Completion by the Seller.

If the Buyer does not sign the Completion Certificate within the above-mentioned period without a substantial reason, the said Completion Certificate bearing the sole signature of the Seller shall be deemed to have been signed by the Buyer without reserve, with all the effects thereof. Use of the Services shall also be deemed as acceptance of the Services.

## **6. DELIVERY - TRANSFER OF RISK - STORAGE**

Delivery and transfer of risk shall take place in accordance with the Incoterm referred to in Article 3.1 (Price).

The Seller reserves the right to make partial and/or anticipated deliveries with partial billing of the corresponding amount. In particular, the Seller reserves the right, for a given Order, to deliver quantities that may differ by ten percent (10%) more or less than the quantity ordered by the Buyer and the Buyer undertakes to pay the price corresponding to the quantity of Products/Software actually delivered by the Seller.

Delivery dates are computed from the T0 date as defined in article 1 (Definitions).

Should the delivery be delayed or prevented for any reason beyond the reasonable control of the Seller, the Product shall be stored and the date of placing in storage shall be deemed the date of delivery. Storage costs, including disposal costs, if any, shall be borne by the Buyer. In this case, the Seller will issue a warehouse certificate (hereinafter referred to as the "Warehouse Certificate"), which shall be validly presented to the Seller's bank for payment purposes.

## **7. TRANSFER OF OWNERSHIP**

Ownership of the Product shall pass to the Buyer upon delivery of the Product to the first carrier regardless of the Incoterm applicable to the delivery.

In the event of storage in accordance with article 6 (Delivery-Transfer of Risk-Storage), ownership of the Product which is stored in the Seller's premises shall pass to the Buyer upon issuance of the storage Certificate by the Seller.

There is no transfer of ownership of the Software.

## **8. LIQUIDATED DAMAGES FOR DELAY**

Seller's liability for late delivery of the Product/Software shall be limited to the payment of liquidated damages as follows:

- (i) Liquidated damages shall only apply in the event of a delay in delivery of the Product/Software, where the cause was within the reasonable control of the Seller, which excludes any delay caused by Force Majeure (as defined in article 12), exceptional world events and shortage (article 14) and/or any act or omission of the Buyer. Liquidated damages shall amount to half a percent (0.5%) of the price of the delayed Product/Software for each full month of delay after the expiration of a grace period of thirty (30) days, and shall not exceed five percent (5%) of such price.
- (ii) Details of liquidated damages shall be notified to the Seller who shall be entitled to submit comments to Buyer within thirty (30) days of receipt of Buyer's notification.
- (iii) The Seller undertakes to pay the liquidated damages by bank transfer within thirty (30) days of the issuance by the Buyer of the corresponding invoice.
- (iv) If, within ninety (90) days from the date of delivery of the Product/Software, the Buyer does not claim liquidated damages by letter with acknowledgment of receipt, Buyer shall be deemed to have waived its rights. However, such waiver by the Buyer shall not apply to any possible delay with respect to any other delivery.
- (v) Liquidated damages are fixed, in full satisfaction for the Seller's liability for delay and are exclusive and in lieu of any other remedy, compensation or damage.
- (vi) The Parties expressly waive the application of the remedies available according to customary Danish contract- and tort law.

## **9. WARRANTY**

### **9.1 Product Warranty (excluding Software)**

Seller's warranty for the Product covers material defects or defects in workmanship which prevent the Product from functioning in accordance with the Product's technical specifications. Unless otherwise provided in the Offer, the warranty shall not exceed a period of twelve (12) months from the date of delivery of the Product.

The warranty does not apply to parts and consumables (such as ink cartridges, batteries, fuses, etc.), nor to defects resulting from or related to the failure of the Buyer to use and maintain the Product in accordance with its technical specifications and the Seller's Documentation and, more generally, in accordance with the standard rules for use of the Product.

The warranty shall be limited to the replacement or repair by the Seller, at its option, of the defective Product or any part thereof provided that (i) the defect has been reported to Seller within seven (7) days from the date of discovery, (ii) the notice of defect describes the defect and the circumstances of its occurrence in detail (iii) the allegedly defective Product has been returned to the Seller, and (iv) the defective Product has actually been acknowledged as such by the Seller.

Unless otherwise provided in the Offer, the cost of transportation and insurance of the defective Product returned to the Seller shall be borne by Buyer, and the cost of transportation and insurance of the replaced or repaired Product shall be borne by

the Seller in accordance with the original terms of delivery. If the defective Product has been soldered by the Buyer or by a third party to a device or another equipment, Seller shall not be responsible for the cost of returning and disassociating such equipment or device from the soldered Product.

In the event the warranty is invoked, the warranty period is suspended, and the Product, once repaired or replaced, is guaranteed for the remaining duration of the initial warranty period.

## **9.2 Software Warranty**

For a period of three (3) months from the date of delivery, the Seller undertakes to correct major reproducible defects detected by the Buyer in the event of non-conformity of the delivered Software to its technical specifications which prevents its normal operation or the normal operation of the Product.

This warranty is conditioned upon (i) the Buyer notifying the Seller in writing of the defect within seven (7) days of its detection; (ii) the notice of defect describing the defect and the circumstances of its occurrence in detail; (iii) the Software not having been modified by the Buyer or a third party or combined with other software, except with Seller's prior written consent, and (iii) the Software having been used by the Buyer in accordance with Seller's specifications and instructions.

Beyond the above-mentioned warranty period, the Seller may correct the anomalies of the Software within the framework of a maintenance contract to be mutually agreed upon by the Parties.

## **9.3 General Stipulations**

The warranty does not apply to defects arising from or related to (i) any combination of the Product with third-party equipment; (ii) any modification of the Product except by the Seller; (iii) any accident, act of vandalism, negligence or handling error by the Buyer; (iv) normal wear and tear; (v) improper installation, maintenance or storage by the Buyer or by a third party; and/or (vi) use of inadequate energy.

The Seller warrants that the Products, Software and Services comply with the state of the art and the security standards in force at the date of their design. However, the Seller does not warrant the resistance of the electronic, computer and/or digital security mechanisms of the Product and/or Software supplied in the event of attacks (such as cyber attack, virus...), given their constant evolution.

The provisions of this article 9 (Warranty) set forth the Seller's entire warranty obligations with respect to the Products, Software and Documentation. To the extent permitted by applicable law, the Seller makes no and expressly disclaims all other warranties of any kind. Fit for purpose warranty is expressly excluded.

## **10. GENERAL CONDITIONS OF DELEGATION OF PERSONNEL**

When delegating personnel to the other Party's premises for the performance of the Services or for the performance of the tests provided for in article 5 (Test and acceptance), the Parties shall comply with the following provisions:

- (i) Each Party shall, with the assistance of the other Party, ensure that its personnel comply with all administrative requirements (such as, but not limited to, visas, medical certificates, entry, residence and work permits) in accordance with applicable regulations and shall bear all costs thereof.
- (ii) Each Party shall maintain strict discipline among its personnel and ensure that they comply with all safety regulations applicable on the relevant premises.
- (iii) The Parties shall agree on the working hours and working of its personnel in accordance with the regulations applicable on the relevant premises. However, such personnel will be allowed to observe their own religious holidays.
- (iv) In the event of an accident or illness of an employee while on assignment at the other Party's premises, whether such accident or illness occurs during or outside the assignment, the other Party guarantees that the employee will have access to the best medical treatment available locally. Any expenses so incurred by the other Party shall ultimately be borne (by way of reimbursement or deduction) by the employer.
- (v) If the period of incapacity due to illness or injury continues beyond one (1) month or is such that it would be preferable for the employee to be repatriated as soon as possible, the employee shall be repatriated immediately to his or her country of origin at the request of his or her employer or at the employee's own request and expense.
- (vi) In the event of death, the employer, with the assistance of the other Party, shall arrange for the repatriation of the deceased and shall bear all the costs thereof.

## **11. OBLIGATIONS OF THE BUYER**

### **11.1 Buyer Furnished Items**

The Buyer agrees to make available to the Seller in a timely manner or upon the date agreed in the contractual schedule, all equipment, materials, tools, buildings, vehicles, plans, drawings, documents, specifications, software and/or other information or other means, including access to the premises and network(s), necessary to perform the Order (hereinafter referred to as "Buyer Furnished Items").

### **11.2 Data made available to the Seller by the Buyer**

The Buyer agrees to provide to the Seller, in a timely manner or upon the date agreed in the contractual schedule, the Data necessary to fulfill the Order.

The Buyer authorizes the Seller and its Affiliates to use the Data:

- (i) for the purposes of supplying the Product(s), Software(s) and performing the Services under the Order;
- (ii) for research and testing purposes, for the internal needs of the Seller and its Affiliates and/or;
- (iii) to develop and/or improve the Products, Software and/or Services provided by the Seller;

subject to compliance with the provisions of article 21 (Protection of Personal Data).

For the aforementioned purposes, the Buyer grants the Seller and its Affiliates, without additional financial consideration, a worldwide, sublicensable, irrevocable and non-transferable right to extract, use, store, modify, reproduce, integrate into its own databases, represent directly or indirectly on any medium whatsoever, by any means and in any form, all or part, qualitatively or quantitatively substantial, of the Data for the duration of their protection by copyright and/or by the *sui generis* right of the producers of databases.

### **11.3 Formalities and authorizations of third parties**

The Buyer warrants that it holds all the necessary authorizations/licenses to use the Data referred to in article 11.2 (Data made available to the Seller by the Buyer). The Buyer agrees to indemnify and hold the Seller and its Affiliates harmless against any allegation or lawsuit from a third party in the event of infringement of the Data by the Buyer.

The Buyer undertakes to carry out all customs formalities incumbent on it in connection with the performance of the Order.

The Buyer agrees to obtain, at no cost and in a timely manner to the Seller, any permits, authorizations, licenses necessary to execute the Order and/or to use the Products/Services/Software, if applicable.

In the event that a Product incorporates an EMV (Europay MasterCard Visa) application, the use of the Product is governed by the rules of the payment scheme that owns the EMV application specifications. In this respect, the Buyer guarantees that it holds the rights to use the EMV application from the corresponding payment scheme and undertakes to provide the Seller with the relevant evidences, upon its first request.

### **11.4 Consequences of the Buyer's failure to comply with its obligations**

The Seller shall not be held liable for any error or defect in the manufacture of the Products, the development of the Software or the performance of the Services which is the consequence of a defect in the Buyer Furnished Items and/or Data made available to the Seller by the Buyer.

If Buyer or any of its representatives, agents, employees, successors or assigns, co-contractors, contractors, etc., fails to perform any of its obligations within the time specified in the contractual schedule, all subsequent milestones in the contractual schedule shall be automatically postponed for a period of time at least equal to the duration of the delay in performance of such obligation, without the Seller incurring any liability as a result of the resulting delay. The Buyer shall indemnify the Seller for the consequences of such delay in performance (including any expenses and additional costs incurred by the Seller).

## **12. FORCE MAJEURE**

The Seller shall not be in default if performance of any of its obligations under the Order is partially or wholly delayed or prevented by reason of Force Majeure.

"Force Majeure" means any event beyond the reasonable control of the Seller including but not limited to: governmental or public authority decision, act or omission, war (whether declared or not), hostilities, insurrection, act of terrorism, sabotage, fire, flood, explosion, epidemics, quarantine restriction, disruption in the supply of supplies from normally reliable sources (including but not limited to electricity, water, fuel and similar supplies), strikes, plant closures and labor disputes, suspension or revocation of any license, permit or authorization, embargoes, storms, earthquakes, delay of a subcontractor due to Force Majeure as defined above.

The occurrence of a Force Majeure event shall automatically suspend performance of the Order and the dates of the contractual schedule shall be postponed for the time period required to overcome the effects of the Force Majeure, and in any case for a period at least equivalent to the duration of the Force Majeure event.

If the Seller's performance of any obligation under the Order is delayed in whole or in part by reason of Force Majeure for a period exceeding six (6) months, either Party may request termination of the Order, in whole or in part, in accordance with article 17 (Termination – Products' end of life), and the Parties shall mutually agree upon a liquidation settlement. In case of disagreement, it shall be deemed to be a dispute which shall be settled in accordance with the provisions of article 25 (Dispute resolution).

The termination shall not affect the debts due between the Parties at the date of the termination, in particular for the Products, Software and/or Service in production or execution at the said date.

### **13. EXCEPTIONAL WORLD EVENTS – SHORTAGE**

Exceptional world events, such as the COVID-19 pandemic and the conflict in Ukraine, are causing considerable disruption to the world economy, resulting in shortages, supply chain bottlenecks and disruptions in production and logistics, price volatility for both materials and labor and/or implementation of new instructions, laws and regulations issued by the competent authorities.

In response to this inflationary pressure and in view of the increasing uncertainty currently facing markets and businesses, the Buyer acknowledges that the impact of these changing events or the impact of any other similarly significant event on the Seller's performance cannot reasonably be determined and fully taken into account as of the date of the Order.

Accordingly, Buyer agrees that Seller shall have the right, to its own discretion to (i) reject or terminate any Order, (ii) revise the terms and conditions of the Order (including delivery schedule, shipment dates, lead times, volumes and/or prices) and/or (iii) offer the Buyer alternative solutions to complete/supply the Products/Software and Services, to the extent necessary, to limit the consequences of such disruptions due to an exceptional word event. In no event shall the Seller be liable to the Buyer for rejection, termination, cancellation or delays in the performance of its obligations to the extent that such failure or results from the aforementioned disturbances.

### **14. HARDSHIP CLAUSE**

In the event of a significant change in circumstances unforeseeable at the time the Offer or the Order is issued, that imposes on one of the Parties an unfair burden arising from the Order, the Parties shall consult each other in order to jointly find equitable adjustments to the terms and conditions of the Order.

Unforeseeable change in circumstances means any event, external to the Parties that would be of such a nature as to significantly modify the economic balance of the Order by making its execution excessively onerous for one or the other of the Parties, which had not accepted to assume such a risk.

For the purposes of this article, (i) events occurring during the term of the Order, or (ii) events occurring prior to the conclusion of the Order, the existence or extent of which could legitimately be unknown to the Party invoking this clause, shall be taken into account.

, When one of the Parties becomes aware of the occurrence of such an event as described above, it shall notify the other without delay. Receipt of such notification shall have the effect of suspending performance of the Order.

The Parties undertake to meet without delay after receipt of such notification, to negotiate and agree on the terms of revision of the Order intended to maintain the balance initially provided for.

The Parties shall have a period of forty-five (45) days to reach an agreement on the terms of the revision, during which time they shall actively negotiate in good faith.

, If at the end of this period as described above, no agreement is reached, the Party wishing to obtain the revision may unilaterally terminate the Order.

## 15. COMPLIANCE WITH INTERNATIONAL TRADE LAWS

Each Party undertakes to comply with (i) all laws and regulations relating to export controls, national security and national strategic interests, and (ii) all economic sanctions or restrictions, which are in force in all countries (including the countries of the Parties, the United States of America and the United Kingdom) and in all international organizations, in particular the EU ("European Union") and the United Nations ("United Nations")

In the event that the Products, Software, Documentation and/or Services are subject to French export control regulations and/or foreign export control regulations, the following provisions shall apply:

- (i) the Buyer shall not sell, export or provide the Products, Software, Documentation and/or Services subject to the Order to any person or entity subject to sanctions, blocking or asset freezing measures applicable in the United States of America, any EU Member State (whether by EU regulation or governmental decision) or the United Kingdom. This applies to, but is not limited to, natural and legal persons who are on OFAC's list of *Specially Designated Nationals and Blocked Persons*, on any EU Member State's national list or on the EU Consolidated Sanctions List.
- (ii) The Buyer hereby undertakes not to sell, lend or hand over in any capacity whatsoever, whether free of charge or not, temporarily or permanently, to any third party, without the prior written consent of the French and/or foreign authorities, the Products, Software, Documentation and/or Services covered by the Order (including their developments or corrections delivered under the warranty).
- (iii) Within thirty (30) calendar days from the date of acceptance of the Order, the Buyer shall execute (and, if applicable, have the end-user execute) and deliver to the Seller an end-use certificate in a form to be provided by the Seller upon Buyer's request (this requirement is a condition to the validity of the Order as set forth in article 2.2 (Order)).
- (iv) The Buyer shall maintain complete and accurate records of exports, re-exports and transfers of Products, Software, Documentation and/or Services provided under the Order for at least five (5) years from the date of export, re-export or transfer, and the Buyer agrees to provide such export records to the Seller upon request.

The Parties acknowledge that the subject matter of the Order may be subject to the provisions of the Wassenaar Arrangement or any successor, replacement or supplemental body governing sensitive technologies. If the performance of the Order is legally prevented by the regulators of the Wassenaar Arrangement or any other such body, such prevention shall be deemed Force Majeure. The Seller shall not be liable to the Buyer for damages resulting from failure to perform the Order as a result of the application of such provisions.

Any breach by the Buyer of any of the provisions of this clause shall be deemed to be a material breach by the Buyer of its contractual obligations and shall entitle the Seller either to suspend performance of the Order until such time as the breach is satisfactorily remedied or to terminate the Order forthwith, without prejudice to any other remedy to which Seller may be entitled by virtue of contractual and/or statutory provisions.

## 16. LIABILITY

**16.1** In no event shall the Seller be liable to the Buyer, its agents, employees, successors and assigns for any special, indirect and/or consequential damages of any kind, including, without limitation, loss of revenue or profit, loss of productivity, damage resulting from business disruption, damage to brand image, suffered by the Buyer or any third party due to a defect or loss of use of all or part of the Product, Software and/or Service or any other failure of the Seller resulting from the performance or non-performance of its contractual obligations.

**16.2** In no event shall Seller's total cumulative liability resulting from the performance or non-performance of its contractual obligations under the Order, for whatever reason, exceed fifty percent (50%) of the amount of the Order.

The limit of liability defined above will also apply in the event of a security breach or/and non-compliance with legal obligations concerning cyber-security. The Seller shall not be held responsible for defect or failure or lack of equipment, network and/or services of security given or provided by:

- third parties (for example software editors, security services providers, equipment supplier), and/or
- the Customer.

The foregoing paragraphs shall not affect the Buyer's right to claim compensation from the Seller for direct damages that the Buyer may suffer as a result of gross negligence or willful misconduct of the Seller.

**16.3** Without in any way limiting the liability possibly incurred by the Seller, the Seller shall take out and maintain with reputable insurers, insurance policies offering appropriate cover and benefits, based on the risks incurred and for the total duration of the aforementioned risks.

The Seller shall subscribe insurance policies covering, without limitation, damage suffered by its assets (including its information system against cyber risks), its personnel, the Buyer or third parties (Professional Civil Liability, Liability for Defective Product, etc...).

The Seller shall provide the Buyer, upon request, with a certificate of insurance duly signed by its insurers.

## **17. TERMINATION – PRODUCTS' END-OF-LIFE**

**17.1** The Order may be terminated in whole or in part by either Party, only with respect to the uncompleted part of the Order, by operation of law, without any damages, solely upon occurrence of the following:

- (i) Force Majeure Event of a continuous duration exceeding six (6) months, in accordance with article 12 (Force Majeure);
- (ii) Exceptional world event, in accordance with article 13 (Exceptional world events – Shortage);
- (iii) Change of circumstances creating a significant contractual imbalance, in accordance with article 14 (Hardship clause);
- (iv) When a court or arbitrator finally determines that there has been an infringement of a third party's Intellectual Property Rights or in the event that the Seller believes that the Product, Software and/or Documentation may be the subject of an infringement claim or suit pursuant to Section 18 (Intellectual Property Rights);
- (v) Change of Control as provided in article 20.2 (Assignment and Change of Control).

**17.2** In the event that either Party (hereinafter, the "Defaulting Party") fails to perform its material obligations under the Order, the Defaulting Party shall provide the other Party (hereinafter, the "Non-Defaulting Party") with a remediation plan (hereinafter, the "Remediation Plan") within thirty (30) business days from the date of the failure to perform or the improper performance of the relevant obligation. Once the Parties have reached an agreement in writing, the Defaulting Party shall use its best efforts to comply with the terms and conditions set forth in the Remediation Plan.

Should the Defaulting Party fail to provide such Remediation Plan within the time period set forth above, the Order may be terminated by the Non-Defaulting Party for the uncompleted part of the Order by operation of law.

If the Defaulting Party is in breach of any of its obligations under the Remediation Plan for more than ninety (90) business days, the Order may be terminated in whole or in part by the Non-Defaulting Party, with respect to the uncompleted part of the Order only, by operation of law.

The following cases are considered, without limitation, as a breach of a material obligation of a Party, giving rise to termination

- (i) a delay in the performance of the contractual obligations of more than three (3) months. In the event of a delay caused by the Seller, it is specified that in any event, termination may not take place before the liquidated damages have reached the cap fixed in article 8 (Liquidated damages for delay);
- (ii) breach of export control obligations as defined in article 15 (Compliance with international trade laws);
- (iii) breach of any obligation of confidentiality as defined in article 19 (Confidentiality);
- (iv) breach of any intellectual property obligation as defined in article 18 (Intellectual Property Rights);
- (v) breach of the obligations relating to the protection of Personal Data as defined in article 21 (Protection of personal data);
- (vi) any fraudulent act committed within the frame of the Order;
- (vii) Buyer's failure to pay after prior notice in accordance with Article 3.2 (Payment);
- (viii) violation of the obligations referred to in Article 23 (Anti-corruption and influence peddling).

**17.3** Termination of the Order shall not affect the rights or liabilities of either Party or the effectiveness or continued effectiveness of any provision of the Order which is expressly or by implication intended to take effect or remain in effect on or after the date of termination. Termination shall not prevent or delay payment of any amount due or payable by either Party and shall not affect the right of either Party to arbitration under article 25 (Dispute resolution).

**17.4** If the Seller discontinues selling a Product, it shall notify the Buyer as soon as possible, but no later than three months prior to the date of discontinuation. Orders accepted by the Seller prior to the date of notification shall not be affected by the discontinuance. The Seller agrees to keep the Buyer informed within a reasonable time of the introduction on the market of new Products.

## **18. INTELLECTUAL PROPERTY RIGHTS**

**18.1** Any Intellectual Property Right, title and interest in and to the Software and Documentation provided by the Seller to the Buyer under the Offer or in connection with the Order shall, subject to any rights of third parties, remain at any time exclusively vested in the Seller or its third-party licensors. Under no circumstances does these GTCs transfer ownership to the Buyer or to any other person.

- 18.2** The Seller hereby grants to the Buyer a non-exclusive, non-transferable, non-assignable, license to use the Software and the associated Documentation, without the right to sublicense at any third party. This license shall not be deemed, presumed or construed to give or have given Buyer any ownership right in the Software and/or Documentation. This license is granted in the country where the Buyer has its registered address or any other geographical area specified in the Offer and for the duration of the use of the Product, the Software and Documentation by the Buyer, unless otherwise provided in the Offer.  
When the Software is delivered as embedded into a Product, the Software shall only be used in conjunction with and as embedded into said Product.
- 18.3** Software components such as commercial off-the-shelf (COTS) software and Open Source Software owned by third parties and distributed with the Software alone or embedded into the Product shall remain subject to the terms and conditions of the supplier's original license or Open Source Software License.
- 18.4** Unless otherwise stipulated in the Offer or agreed by the Parties, the Software shall be supplied to the Buyer only in object code and in its latest available version.
- 18.5** Unless otherwise agreed (such agreement to be in writing by a duly authorized representative of the Seller), the Buyer shall not perform any of the following with the Software or any associated Documentation, including, but not limited to, copying, reproducing, permitting to be reproduced, decompiling or otherwise reverse engineering, translating, modifying, disassembling, selling or distributing, posting on the Internet or any intranet, publishing, decoding, enhancing, adapting, merging or reducing the Software to source code or any other lower level language, in whole or in part. In the event that the Seller gives the Buyer written permission to perform any of the above with the Software or associated Documentation, the Buyer shall ensure that the Seller or the original supplier is identified as the author and shall include any applicable and/or appropriate copyright or other proprietary legend identifying Seller or the original supplier as the owner/author. Notwithstanding the foregoing, the Buyer may make one (1) back-up copy of the Software and associated Documentation for security purposes only.
- 18.6** In the event that the license is terminated as a result of a breach by the Buyer of the foregoing provisions, then the Buyer shall remove the Software from its machines and to return at its own expenses, or if necessary, destroy the Software and any back-up copies and associated Documentation and shall no longer access to any Service. This paragraph applies to all copies of the Software as it applies to the original copy.
- 18.7** In the event that the Buyer requires further advice, assistance or information to achieve interoperability not warranted under the Order, the Buyer shall contact the Seller. If the Seller provides the Buyer with such information, then the Buyer shall use such information solely for the purpose of achieving interoperability, unless otherwise agreed and notified in writing by the Seller.
- 18.8** The license granted in this article **Error! Reference source not found.**<sup>8</sup> (Intellectual Property Rights) shall be effective concomitantly with the entry into force of the Order as stipulated in article 2.2 (Order). The expiration or termination of the Order shall not relieve the Buyer of its obligations under this Article 18 (Intellectual Property Rights).
- 18.9** Always subject to article 16 (Liability - Insurance) and article 18.10, the Seller shall defend, at its expense, a third-party filed legal complaint, lawsuit or proceeding against the Buyer (hereinafter referred to as a "Claim") to the extent such Claim is based upon an allegation that the Products, Software and/or Documentation as of their delivery date, directly and infringe in the country where the Buyer has its registered address any third-party Intellectual Property Rights (hereafter "IP Claim"). The Seller shall indemnify the Buyer for any final adverse judgment(s) by a competent court or an arbitration tribunal, settlements and reasonable attorney fees resulting from an IP Claim. The foregoing obligations are conditioned on Buyer: (i) notifying the Seller promptly in writing of the IP Claim; (ii) giving the Seller sole control of the defense thereof and any related settlement negotiations; and (iii) cooperating and assisting in such defense.
- 18.10** The Seller's does not provide any warranty and its liability is expressly excluded:
- (i) for Products/Software/Documentation for which the Seller has not obtained a similar warranty from its supplier;
  - (ii) if the infringement results from the combination or association of the delivered Products/Software/Documentation with any other product or equipment;
  - (iii) if the infringement results from a modification of all or part of the Products/Software/Documentation resulting from any intervention without the written authorization of the Seller;
  - (iv) whether the Product/Software has been manufactured to the Buyer's specifications;
  - (v) if the infringement results from a use of the Product and/or Software that does not comply with its specifications; and or;
  - (vi) if the IP claim is based upon an allegation that the Products/Software/Documentation infringe any Standard Essential Patent i.e. a patent claiming technology that is Essential to comply with a Technical Standard'. For the purpose of this section vi), "Essential" means, with respect to a patent claim in relation to a Technical Standard, that it is not possible on technical (where "technical" does not include and is not otherwise construed to mean "commercial") grounds to implement the specifications of such Technical Standard without practicing such claim.

"Technical Standard" shall mean any technical specification which sets forth certain technical requirements a product shall comply with, in order to perform a specific technical functionality, regardless of whether such specification was developed and/or published by a standardization organization or any other group of companies or a single company. Such technical specifications include, without limitation in particular cellular standards (such as GSM, GPRS, EDGE, UMTS(3G), 4G LTE, 5G), Video Codecs (such as H.265 H.264, H.263, MPEG2, MPG3, MPEG4, DIVX) and Audio Codecs (such as WAV, MP3, MP2, AAC, AMR-NB, AMR-WB, MIDI, Vorbis, APE, AAC-plus v1, AAC-plus v2, FLAC, WMA, ADPCM) as well as any Bluetooth standards, WAP standards and WIFI standards.

**18.11** In the event that a court or arbitrator finally determines that there has been an infringement of Intellectual Property Rights of a third party or should Seller consider that the Product, Software and/or Documentation could be the subject of an infringement claim or lawsuit, the Seller may choose at its own expenses one of the following: (i) obtain the necessary license of rights for the Buyer to continue to use Product, Software and/or Documentation concerned, or (ii) modify or replace the infringing Product, Software and/or Documentation in order to avoid the infringement or (iii) terminate the concerned Order(s).

**18.12** The foregoing constitutes the entirety of the Seller's commitments to the Buyer in the event of disputes and/or infringement arising from the Intellectual Property Rights of third parties relating to the Products, Software and/or Documentation supplied by the Seller.

## **19. CONFIDENTIALITY**

The Buyer shall keep all information received from the Seller in connection with the Offer and resulting from the Order (hereinafter referred to as the "Information") in strict confidentiality and shall not disclose the Information in whole or in part to any person other than Buyer's employees on a need-to-know basis for the purpose of making an internal evaluation of the Offer or, if applicable, installing, operating and/or maintaining the Product/Software in the performance of the Order. Any other disclosure shall be subject to the prior written consent of the Seller.

The Buyer shall comply with the provisions this article 19 (Confidentiality) for a period of five (5) years from the date of issuance of the Offer and, in the event an Order is entered into between the Parties: (i) during the performance of the Order and (ii) for a period of five (5) years from the date of completion of the last obligation of the Order or from the termination of the Order pursuant to Article 17 (Termination – Products' end of life).

## **20. ASSIGNMENT AND CHANGE OF CONTROL**

**20.1** Neither Party shall be entitled to transfer to a third party all or any of its rights and obligations arising from or related to the Order without the express prior consent of the other Party, which consent shall not be unreasonably withheld.

Notwithstanding the foregoing, the Seller may freely assign or transfer to any Affiliate any or all of its rights and obligations arising from or related to the Order.

The Parties agree that the assignment of the Order releases the assignor for the future.

**20.2** In the event of the sale of the Buyer's business, spin-off or demerger absorption, merger, acquisition of his company or in the event of a change in the control of the Buyer's company:

- (i) creating a conflict of interest, in particular in the event of a change of control of the Buyer in favor of a direct competitor of the Seller in the field of Products and Services, and/or
- (ii) showing an ethical risk resulting from allegations of an ethical reputation against the potential new buyer,

the Seller may terminate the Order by registered letter with acknowledgement of receipt, without liability to the Buyer, such termination to take effect on the day following the date of receipt of such notice. It is expressly understood that the term "change of control" referred to above means the direct or indirect acquisition by a third party of more than fifty percent (50%) of the share capital or voting rights.

## **21. PROTECTION OF PERSONAL DATA**

**21.1** Where the Seller processes Personal Data on behalf of the Buyer in connection with the Order, the following provisions shall apply.

The Parties agree to comply with their respective obligations under the Personal Data protection regulations, (including Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of Personal Data and on the free movement of such data (GDPR)), which apply in the performance of the Order ("Regulations").

With respect to Personal Data made available to the Seller by the Buyer for the purpose of providing the Products, Software and/or Services under the Order, the Buyer shall act as the "data controller" and the Seller shall process the Personal Data on behalf of the Buyer.

Acting as a "Data processor", the Seller shall process the Buyer's Personal Data in accordance with the Buyer's documented instructions as described in the Offer, the Order or any other document drawn up by mutual agreement of the Parties and for no other purpose than those expressly defined and approved by the Buyer, unless it is required to do so by the law of the European Union or the law of the Member State to which it is subject. In this case, the Seller shall inform the Buyer of this legal obligation prior to processing, unless applicable law prohibits such information on important public interest grounds.

The Offer, the Order or any other document agreed upon by the Parties shall define the processing activities carried out by the Seller on behalf of the Buyer, the purpose and duration of said processing, the categories of Personal Data processed and the categories of persons concerned. If the Seller uses subcontractors, they shall also be mentioned.

The Buyer undertakes and warrants that, where required by the Regulations, it has obtained any authorization required by any competent authority and/or the consent of the person concerned, prior to disclosing any Personal Data to the Seller.

If, under the Regulations, specific obligations are imposed on the Seller, such as technical requirements, these requirements will be quoted by the Seller and agreed between the Parties.

The Seller shall ensure that it has implemented appropriate technical and organizational measures to ensure an adequate level of security for the Buyer's Personal Data in accordance with Article 32 of the GDPR.

In addition, the Seller shall:

- (i) ensure that the persons authorized to process the Buyer's Personal Data are subject to confidentiality obligations and that its subcontractors respect the same obligations as those defined in this Article;
- (ii) assist the Buyer, at the Buyer's expense, through appropriate technical and organizational measures, to the extent possible, taking into account the nature of the processing activities, in fulfilling its obligation to respond to requests from data subjects to exercise their rights under the data protection regulations applicable in connection with the performance of the Order;
- (iii) immediately inform the Buyer if, in the Seller's opinion, an instruction from the Buyer concerning the processing of the Buyer's Personal Data constitutes a breach of the data protection regulations applicable in connection with the performance of the Order;
- (iv) make available to the Buyer, at the Buyer's expense, all information necessary to demonstrate compliance with the obligations under Article 28 of the GDPR and, subject to two (2) weeks' notice, authorize and contribute to audits carried out by the Buyer or by an independent third party appointed by the Buyer and approved by the Seller;
- (v) given the nature of the processing activities and the information available to the Seller, assist the Buyer, at the Buyer's expense, in ensuring compliance with the obligations under Articles 32 to 36 of the GDPR;
- (vi) delete or return to the Buyer all of Buyer's Personal Data and destroy existing copies at the end of the applicable retention period, unless otherwise required by applicable law;
- (vii) not transfer the Buyer's Personal Data outside the European Economic Area without the Buyer's prior express consent; and
- (viii) notify the Buyer of Personal Data breaches, as defined by the GDPR, as soon as possible after becoming aware of them.

The Buyer grants the Seller general permission to share the Buyer's Personal Data with its subcontractors, it being understood that the Seller undertakes to inform the Buyer of any change in subcontractors by any means (including by email), thus giving the Buyer the right to object to such change, for legitimate reasons and within thirty (30) calendar days following receipt of the Seller's notification.

The Seller shall remain fully responsible to the Buyer for the performance of the obligations of its subcontractors.

**21.2** In accordance with the authorization expressly granted by the Buyer in article 11.2 (Data made available to the Seller by the Buyer), the Seller shall be entitled to re-use for its own purposes as described in Article 11.2 (ii) and 11.2 (iii) (hereinafter the "Subsequent Data Processing"), the Personal Data which is made available to it by the Buyer in the course of the performance of the Order.

In this respect, the Buyer undertakes to inform the persons concerned of the transmission of their Personal Data to the Seller for the purpose of carrying out the Subsequent Data Processing, to obtain their consent when it is required by the Regulations and to provide proof thereof to the Seller, upon request.

The Seller, in its capacity as "Data controller", undertakes to comply with the Regulations applicable to it for the performance of the Subsequent Data Processing.

## **22. WASTE ELECTRICAL AND ELECTRONIC EQUIPMENT**

**22.1** Under Directive 2012/19/EU on waste electrical and electronic equipment (hereinafter referred to as "WEEE"), Directive 2011/65/EU on the restriction of the use of certain hazardous substances in electrical and electronic equipment and their transposition into national laws and/or regulations, the responsibility for the costs of managing WEEE can be transferred from the Seller to the Buyer.

**22.2** Unless otherwise agreed in writing by the Parties, the Buyer hereby accepts this responsibility and shall, accordingly:

- (i) assume the costs of collection, treatment, recovery and environmentally sound disposal of (i) all WEEE from or derived from the Products and (ii) all WEEE from or derived from products already on the market on August 13, 2005 (the Historic Waste), if such products are to be replaced by the Products and if such products are equivalent to the Products or perform the same function as the Products;
- (ii) comply with the additional obligations imposed on users by the WEEE regulations.

**22.3** The aforementioned obligations shall be flow-downed by the Buyer to the distributors (within the meaning of the aforementioned directives) and by the distributor to the end user of the electrical and electronic equipment, always under the responsibility of the Buyer. Failure by the Buyer to comply with the aforementioned obligations may result in the application of criminal sanctions, as provided for by the national laws and/or regulations transposing the said directives.

## **23. ANTI-CORRUPTION AND INFLUENCE PEDDLING**

**23.1** The Parties shall always act in accordance with the national and foreign laws and regulations applicable to the prevention and detection of risks of corruption and influence-peddling, and in particular French law No. 2016-1691 of 9 December 2016 on transparency, anti-corruption and the modernisation of the economy (the "Sapin II Law").

Whether directly or via third parties, neither Party shall propose to any person, or shall accept from any person, any offer, promise, donation, gift or benefit of any kind which would be linked to a misuse that would be made by that person, or that has already been made by that person, of his/her real or supposed influence with a view to obtaining, for itself or for others, a distinction, a job, a contract or any other favorable decision.

Neither Party shall solicit or accept for itself any offer, promise, donation, gift or benefit of any kind, for the purpose of misusing its influence with a view to making or obtaining any favorable decision.

Each of the Parties declares that it has implemented a compliance program that meets the requirements of the Sapin II Law, insofar as it is subject to it.

**23.2** Each of the Parties hereby represents and warrants that none of its legal representatives is, or has been for the last three years, or will be at any time during the term of the Order, a Politically-Exposed Person who might, thanks to his/her function or mission, influence the position to be taken by him/herself or the end-customer within the frame of the performance of the Order. In case where, during the term of the Order, either Party would become aware of any circumstance likely to put into question this representation and warranty, it would have to promptly inform the other Party thereof.

In the meaning of the foregoing provision:

"Legal representative" means any of the directors and managing officers of either Party, of the company (or companies) controlling that Party and of the ultimate beneficiaries of that Party.

"Politically Exposed Person" (or "PEP") means any natural person who is either an "Initial PEP" or, by extension, a "Relative" to an Initial PEP:

- (i) an Initial PEP is a person who cumulatively fulfils the following two criteria:
  - on the one hand, is a "Public Official" or a senior official of a state-owned enterprise or publicly-owned company or of a political party, in the Buyer's / end-customer's country, who is currently exercising his/her functions or who has held such a position in the last three (3) years;
  - and on the other hand, this person, by virtue of his/her function or mission (past or current), is able to influence the Buyer's / end-customer's final decision regarding the award of a contract, or is able to influence the position to be taken by the Buyer or the end-customer within the frame of the performance of a contract.
- (ii) A Relative of an Initial PEP is any one of the following people:
  - parents, brothers and sisters, children of the Initial PEP, as well as the spouse(s), recognized partner(s) or companion(s) of these children;
  - spouse, recognized partner or companion of the Initial PEP, as well as the ascendants and descendants of this spouse, recognized partner or companion of the Initial PEP;

- persons closely associated with the Initial PEP, that is to say any person who is widely and publicly known to have close links, in particular business links, with the Initial PEP, including the beneficial owner of a legal entity, of a legal person or of a legal device held jointly with the Initial PEP or known to have been established for the benefit of the Initial PEP.

“Public Official” means any natural person who cumulatively fulfils the following two criteria:

- (i) On one hand, this person:
  - holds a legislative mandate or occupies an administrative, military or judicial position in the Buyer's / end-customer's country, whether by appointment or by election, on a permanent or temporary basis, with or without remuneration; or
  - exercises a public function, as a public official or as a public agent, at any hierarchical level whatsoever, including within a public company or a national or international public body; or
  - provides a public service or acts as a public official, depending on the meaning that the law in force in the Buyer's / end-customer's country gives to these terms;
- (ii) And on the other hand, this person:
  - is or appears to be, by virtue of his/her function or mission (past or current), able to influence the Buyer's / end-customer's final decision regarding the award of a contract, or
  - is able to influence the position to be taken by the Buyer or the end-customer within the frame of the performance of a contract.

**23.3** Any violation by the Buyer of any provision of this Article shall be deemed a material breach by it of its contractual obligations, and shall entitle the Seller either to suspend the performance of the Order as long as the breach is not satisfactorily remedied or to terminate the Order immediately, and this without prejudice to any other remedy to which it may be entitled as per contractual provisions and/or at law.

## **24. APPLICABLE LAW**

The Offer, the Order, the GTCS and any other document relating to the Order shall be governed by and construed in accordance with Danish law, to the exclusion of any conflict of laws provisions. The application of the 1980 United Nations Convention on Contracts for the International Sale of Goods is expressly excluded.

## **25. DISPUTE RESOLUTION**

In the event of any dispute arising out of or relating to the Order, the Parties shall use their best efforts to settle such dispute amicably in accordance with their respective management.

In the event the Parties fail to reach an amicable settlement within thirty (30) days from the submission of the dispute to their respective management, then the Parties shall refer the dispute to proceedings under The International Chamber of Commerce ("ICC") Mediation Rules.

If the dispute has not been settled pursuant to the said Rules within 60 days following the filing of a request for mediation or within such other period as the parties may agree in writing, such dispute shall thereafter be finally settled under the Rules of Arbitration of the ICC by one or more arbitrators appointed in accordance with the said Rules of Arbitration.

The place of arbitration shall be Copenhagen, Denmark.

The language to be used in the arbitral proceedings shall be English.

The arbitration proceedings shall be confidential.

The Buyer, if a state or governmental entity, hereby irrevocably waives all immunity from jurisdiction and of execution.

## **26. AUDITS**

In the event that the Buyer wishes to audit the Seller regarding the performance of any or all of the obligation under the Order, the Buyer shall give the Seller prior written notice of its request with at least fifteen (15) business days' notice. The Seller shall review the request within five (5) business days.

The Seller reserves the right to refuse any audit request from the Buyer.

In the event of confirmation by the Seller of the feasibility of the audit and of the applicable conditions, particularly with regard to the scope that may be the subject of the audit, the Parties agree that:

- (i) The audit will be carried out by an independent third party chosen and validated by mutual agreement between the Parties;
- (ii) Auditors shall (i) sign a confidentiality and non-disclosure agreement and (ii) comply with security and confidentiality measures required by the Seller as part of the audit;
- (iii) The audit can only be conducted once per calendar year and only during the standard opening hours and days of the audited site;
- (iv) The audit will be carried out at the Buyer's expense;
- (v) The duration of the audit will be limited to three (3) working days;
- (vi) The audit may only cover the last twelve (12) months of activity prior to the beginning of the audit;
- (vii) Carrying out the audit shall in no way disrupt the Seller's business;
- (viii) In particular, the audit shall not include (i) any data or information protected by confidentiality, particularly that relating to other customers and/or prospects of the Seller, (ii) any financial or accounting data (cost structure, etc.), (iii) any other information that is not relevant to the purpose of the audit and the scope of the Order.

The Buyer shall inform the Seller of the findings of the audit report. At the Seller's request, the audit report shall be presented by the Buyer at a steering committee meeting or other mutually agreed forum.

The Parties agree that the audit report will be confidential.

If the conclusions of the audit contain recommendations that result in changes to the rules and procedures audited, the Parties shall agree on the possible implementation of these recommendations and shall formalize this implementation by signing an amendment to the Order.

## **27. MISCELLANEOUS**

### **27.1 Amendments**

The Order may only be amended by a written amendment duly signed by the authorized representatives of each of the Parties.

Any new request from the Buyer shall be evaluated by the Seller and shall be the subject of a technical and commercial offer from the Seller. After negotiation, an amendment to the Order shall be concluded between the Parties.

No change in the Order shall be taken into account by the Seller until the amendment has been signed by the Parties.

The standards, laws and regulations applicable to the Order shall be the standards, laws and regulations applicable on the date of submission of the Offer by the Seller or such other date as the Parties may agree.

In the event of a change in the standards, laws or regulations to which the Order refers, the impact of such change shall be borne by the Buyer.

### **27.2 Partial invalidity**

If any provision of the Order, the Offer or the GTCS is held by a competent authority to be invalid or unenforceable, such provision shall be deemed to be unwritten while the remaining provisions shall continue to be valid and in full force and effect.

Notwithstanding the foregoing, the Parties undertake to negotiate in good faith to agree on a mutually satisfactory provision to replace the provision deemed null and void or unenforceable.

### **27.3 Title of the articles**

The Article titles used in the GTCS are for convenience only and shall not be used to interpret the provisions of the GTCS.

### **27.4 Survival**

The following clauses of the GTCS shall survive expiration or termination of the Order: article 4 ("Taxes"), article 18 ("Intellectual Property Rights"), article 19 ("Confidentiality"), article 24 ("Applicable law"), article 25 ("Dispute resolution").

## ANNEX 1 - MODEL DOCUMENTARY CREDIT

**ISSUED BY:** *[Leading bank, to be approved by the Seller].*

**PLACE OF VALIDITY:** Copenhagen, Denmark

**EFFECTIVE DATE:** *\_\_/\_\_/\_\_ [being three (3) months after the later of: (i) the date of the last delivery of the Product/Software, or (ii) the date on which the Services shall have been performed, and extendable for appropriate periods of three (3) months upon Seller's request in order to allow for its full use].*

**NOTIFIED BY:** *[Name of the bank, to be designated by the Seller, (hereinafter, "the Bank")]  
[Address]*

**APPLICANT:** the Purchaser

**BENEFICIARY:** Thales DIS Danmark A/S (hereinafter, "TDIS")  
[Address] Industriparken 39, 2750 Ballerup

### **USABLE BY NEGOTIATION WITH ANY BANK IN DENMARK FOR A DEMAND PAYMENT**

**AMOUNT:** ..... **PURPOSE:** ..... (.....)

**SUBJECT:** *[Description of Deliverables Payable by Documentary Credit].*

**REPRESENTATIVE:** Seventy percent (70%) of the total Order amount, i.e. ....  
A deposit of thirty percent (30%) of the order is paid by bank transfer

**PARTIAL SHIPMENTS, PARTIAL USES:** Permitted

**TRANSSHIPMENT:** Authorized

**DELIVERY:** *[....., Place..... according to contractual delivery terms], Incoterms® 2020*

### **REQUIRED DOCUMENTS** (original or copies)

- The contractual amount will be paid as and when the products/software are delivered, on presentation to the Bank of the following documents (or copies thereof)
  - Commercial invoice,
  - in the case of delivery
  - *Forwarders Certificate of Receipt* (FIATA FCR), or Sea Bill of Lading or Air Waybill (AWB), or any other document evidencing delivery, or storage certificate issued by TDIS in case of storage, as applicable.
  - and in the case of the supply of a service
  - Factory Acceptance Certificate, signed by the Buyer and TDIS or by TDIS only. In the latter case, TDIS shall submit with said Factory Acceptance Certificate a statement certifying that the Buyer has not been able to attend the Factory Tests or has not signed the Factory Acceptance Certificate within two (2) calendar days from the date of its submission, without notifying TDIS of any non-compliance.
  - (if applicable) Completion Certificate signed by the Purchaser and TDIS or by TDIS only. In the latter case, TDIS shall submit with said Completion Certificate a statement certifying that the Purchaser has not signed the Completion Certificate within the period of two (2) calendar days counted from the date of its submission, without notifying TDIS of any substantial reason.

### **SPECIAL INSTRUCTIONS:**

1. Documents submitted after 21 days are acceptable,
2. Confirmation: at the discretion of the beneficiary,
3. Operative instrument: yes,
4. All bank charges relating to this documentary credit shall be borne by the Applicant,
5. This documentary credit is subject to the Uniform Customs and Practice published by the International Chamber of Commerce (Revision 2007 - Edition No. 600, with the exception of its Article 32)
6. The negotiating bank is authorized to request reimbursement from the EUR correspondent of .... *[name of the issuing bank].*