These General Sales Terms and Conditions shall apply to products and services (the "Products") manufactured and/or provided by THALES DIS KOREA LTD., a company organized and existing under the laws of the Republic of Korea (hereafter "THALES") to a customer (the "Buyer"). THALES and Buyer are hereafter individually referred to as a "Party" and collectively as the "Parties". Any proposal of whatsoever form (the "Proposal") made by THALES to the Buyer for its Products shall be governed by these General Sales Terms and Conditions which, unless expressly otherwise agreed in writing, shall prevail in the event of a discrepancy with any other written or oral agreement between THALES and the Buyer.

The Proposal, including, without limitation, commercial, technical and financial documents sent to the Buyer together with these General Sales Terms and Conditions, shall be valid for a period of thirty (30) days from the date of its issuance, unless extended by THALES by written notice to the Buyer.

The Buyer’s written acceptance of the Proposal, and/or use of the Products or Services, and/or the placement of an order in writing by the Buyer (the "Order") shall be deemed the Buyer’s unconditional and irrevocable agreement to these General Sales Terms and Conditions and the waiver of the Buyer’s own purchase terms and conditions or any other similar document.

The Proposal may be subject to alteration and withdrawal by written notice of THALES to the Buyer at any time until a contract arising there from (the "Contract") has been executed in writing by the Buyer’s and THALES’ duly empowered representatives.

If the Buyer accepts the Proposal with additions, modifications, qualifications or assumptions, such acceptance shall be considered a new offer by the Buyer. Any such new offer shall only be binding upon THALES if and to the extent it is accepted in writing by THALES. Whether the Order was preceded or not by a Proposal, the Contract shall not be deemed binding unless the Buyer has received written acceptance of the Order from THALES, both concerning the Order, and where applicable, the additions, modifications, qualifications or assumptions thereto (the "Order Acceptance"). In the event of a discrepancy between the Order and the Order Acceptance, the Order Acceptance shall prevail and determine the terms of the Contract. No Order may be canceled or modified after the date of issuance of the Order Acceptance, except with the prior written approval of THALES and provided that all costs resulting there from shall be borne by the Buyer.

The Contract shall consist of:

- an agreement signed by both Parties and/or the Order and its Order Acceptance agreed upon by both Parties, including, as the case may be, any complementary specific and/or special conditions of sale;
- these General Sales Terms and Conditions, which form an integral part of the Contract.

The Contract constitutes the entire agreement between the Parties with respect to its subject matter and supersedes all prior agreements and understandings (whether oral, in writing or any other form) between the Parties.

The weight, dimensions, size, performance and other documentation relating to the Products provided for in the technical or commercial documentation (the "Documentation") of THALES are of an indicative nature only and are not contractually binding unless expressly indicated so by THALES in the Order Acceptance and / or provided in the Contract.

The Documentation provided to the Buyer remains the exclusive property of THALES and may not be communicated, copied or reproduced by the Buyer without the prior written authorization of THALES.

Subject to the terms of the Contract, the Buyer is granted a non-exclusive, non-transferable and non-assignable right to use the Documentation. The Buyer agrees to limit access to the Documentation to those employees who require such access in order to use the Products. The Buyer will not make available or disclose any information concerning the Documentation to any other person without the prior written consent of THALES. The obligations expressed in this provision shall remain binding upon the Buyer even after completion or termination of the Contract. The Buyer shall take all the same precautions to maintain the confidentiality of the Documentation as those employed to protect its own proprietary information.

Unless otherwise expressly stated in the Proposal, the minimum quantity of any Order shall be of two hundred (200) Products (or 5,000 units in case of cards) and the minimum price for a batch of any given Product to be delivered under any Order or Contract shall be twenty-five thousand (25,000) United States Dollars.

Unless otherwise agreed in writing, all sales of the Products between the Parties are deemed concluded "FCA" as further specified in the Order Acceptance and / or the Contract.

The term "FCA" or any other term used to define the terms of sale provided for in the Contract shall be interpreted in accordance with the INCOTERMS® 2020 published by the International Chamber of Commerce.

The carrying out of operations at the request of the Buyer by THALES other than those required by the terms of sale established by the Contract shall in no way modify either the type of sale nor the content of the Contract: the request of the Buyer to carry out such operations necessarily implies that THALES will act in the name of and on behalf of the Buyer. Such operations and the resulting costs will be invoiced separately to the Buyer who agrees to pay THALES upon receipt of the relevant invoice. In any case, the carrying out of such operations by THALES shall have a direct link with the Contract.

DELIVERY
4.1 Except in the event of provisions to the contrary included in the Order Acceptance and/or the Contract or otherwise agreed in writing, the delivery schedule shall be calculated from the last to occur of the following dates:
- Receipt by THALES of all the information and data necessary for the fulfillment of the Order;
- Receipt by THALES of 100% of the payment owed as down payment for the Order (or, if applicable, notification to THALES of the opening of the Documentary Credit and acceptance of its terms by THALES);
- Obtaining of any license or other official authorization necessary for the import or export of the Products.

4.2 Unless otherwise provided by Thales, the delivery schedule, shipping dates or lead times set forth herein, in any order or order acknowledgment are indicative and shall not create any binding obligation on Thales to deliver the Products within such delivery schedule, shipping dates or lead times. Any performance obligation of THALES shall be subject to the condition that THALES itself received a timely and correct delivery from its suppliers.

4.3 Prior to delivery, the Products will be preserved, packaged or crated in accordance with THALES’ usual standards.

4.4 The Products delivered in accordance with an Order are definitively transferred and may not be either returned or exchanged except in the event of a provision to the contrary.

4.5 THALES reserves the right to make partial and/or anticipated deliveries with partial invoicing for the relevant amount. In particular, THALES reserves the right, for any given Order or Contract, to deliver quantities that may differ from the quantity ordered by the Buyer by up to ten percent (10%), more or less and the Buyer undertakes to pay the price corresponding to the quantity of Products effectively delivered by THALES within that tolerance.

4.6 For each Order of cards products, primary colors will be created by THALES and printed on the cards products on the basis of the proof (i.e. the initial reproduction of the artwork of the concerned cards sent by THALES to the Buyer in electronic or paper format) signed by the Buyer. All other colors will be created and printed on the basis of the pantone colors chart available in each THALES production site. The difference between on the one hand, for the primary colors the proof and for the other colors the pantone colors chart, and on the other hand the colors printed on the card products shall be measured with a spectrophotometer and will not exceed +/- 3.5 in the CIE 94 colorimetric space (2.1.1) D65/10 or D50/2 depending on the card product type.

4.7 Should the delivery of the Products or any part thereof be postponed either at Buyer’s request or for any reason not attributable to THALES, THALES shall be entitled to (a) cancel the order if the delay exceeds forty-five days from the original delivery date or (b) store the Products or any part thereof at Buyer’s risks and expenses and to issue the corresponding invoice. The date of storage shall be deemed to be the date of delivery. In such a case, THALES shall issue and sign a warehouse certificate discharging THALES of all liabilities incurred in connection with such storage.

4.8 Should the delivery of the Products or any part thereof be delayed due to causes directly and solely attributable to THALES, the Buyer may claim delay damages at the rate of one percent (1%) of the value of the delayed Order per week of delay, up to a maximum of five (5) percent of the value of the delayed Order. For the avoidance of doubt, this shall not apply to situations where the delay is due to the Buyer, a third party or Force Majeure. The payment of delay damages pursuant to this sub-Article shall be the full and final remedy of the Buyer in case of delayed deliveries, and shall be subject to the terms of Article 10.

5. TRANSFER OF RISKS AND TITLE

5.1 Risks in the Products shall pass to the Buyer at the time of delivery as per the applicable INCOTERM.

5.2 Title to the Products shall vest in the Buyer at the time THALES receives full payment for delivery.

6. PRICE

6.1 Unless stated otherwise in the Order Acceptance, the prices for the Products as per the Proposal and Order Acceptance of THALES are fixed and firm for the Contract performance according to the terms and conditions herein contained.

6.2 The prices hereunder set forth are quoted in United States Dollars (USD), which will be the invoicing and payment currency, unless otherwise agreed by the parties.

6.3 All prices of Products and/or parts thereof to be delivered by THALES under the Contract are to be understood “FCA”, as further specified in the Order Acceptance and/or the Contract according to the INCOTERMS® 2020.

6.4 Without prejudice to the above-mentioned INCOTERMS, all prices hereunder are exclusive of all taxes, customs duties, levies and other charges whatsoever which shall be at the exclusive charge of the Buyer. In the event of applicable withholding taxes, the Buyer shall provide to THALES the proof of tax payment promptly. Both parties shall cooperate to secure a reduction or elimination of such withholding taxes and apply for treaty benefits, if applicable.

6.5 Except in the event of provisions to the contrary included in the Order Acceptance, all prices are valid for thirty (30) days starting with their date of issuance, unless extended by THALES by written notice to the Buyer.

7. INVOICING AND PAYMENT

7.1 Payment shall be made as follows: 100% upon issuance of Order, unless otherwise agreed by the parties.

7.2 Early payment shall not result in the granting of any reduction in the price by THALES.

7.3 In the event Buyer fails to make any payment on the due date then, without prejudice to any other right or remedy available to THALES, THALES may, at its option either: (i) postpone the fulfillment of its own obligations until full payment of the sums due for the principal; (ii) charge Buyer interest on the amount unpaid, by applying per half year, for the first semester of the relevant year, the 3-month KORIBOR rate in force as of the 1st of January of the said year and the one in force as of the 1st of July for the second semester of the said year, increased by ten (10) percentage points, until payment is made in full (a part of a month being treated as a full month) plus a lump sum fee of fifty (50) USD for collection costs; (iii) terminate the Contract upon expiry of a seven calendar (7) day written notice of THALES to the Buyer which has remained without effect.
7.4 In the event of a payment delay by the Buyer, THALES may also require for any new delivery (regardless of the conditions that may have been agreed), payment prior to shipment or suspend or cancel the Contract or any pending Order without incurring any liabilities whatsoever.

7.5 THALES reserves the right to establish, at any time, a limit for outstanding credit in favor of the Buyer, and adapt the applicable payment periods accordingly.

7.6 No discount will be accepted for down payments except in case of prior written consent between the Parties.

7.7 Payments made hereunder are non-refundable.

8. ACCEPTANCE TESTING

8.1 If an acceptance testing procedure is provided for in the Contract, an acceptance testing shall be carried out, after completion of manufacture and before delivery of the Products, at the premises of THALES, within a maximum period of fifteen (15) calendar days from the date of issuance of the written notice for acceptance testing sent by THALES. Any acceptance testing will be at the expense of the Buyer and performed in accordance with the THALES standard testing procedures then in force.

8.2 The Buyer shall have the right to attend the acceptance testing subject to written notification to THALES of the names and biodata of its representatives at least three (3) calendar days prior to the above-mentioned anticipated date. Failure of the Buyer to attend shall not delay or prevent the performance of such acceptance testing. THALES may subsequently carry out the acceptance testing, in accordance with sub-Article 8.1, the terms of which will thereafter be deemed completed.

8.3 Upon completion of the acceptance testing, THALES shall issue, sign and submit to the Buyer’s signature a report, which shall be signed by the Buyer no later than five (5) calendar days from its submission. Should the Buyer refuse to sign the said report, the Buyer shall so notify THALES in writing by substantiating the non-conformities within the same five (5) day period of time. Should the Buyer fail to sign the report without notifying THALES as per above, the report signed by THALES shall then have the same value and effect as if both Parties had signed it.

8.4 Non-conformities evidenced during the acceptance testing shall be made good by THALES within a reasonable time. Non-conformities not affecting the functional characteristics of the Products shall not constitute a ground for rejection thereof. Such non-conformities shall be corrected by THALES before delivery.

8.5 Any and all costs incurred pursuant to inspections, and the lodging and travelling expenses of the Buyer's representative shall be borne by the Buyer.

9. WARRANTY

9.1 THALES hereby warrants the Products shall conform to all hardware and/or software specifications related to the Product authored and provided by THALES, for a period of twelve (12) months from the date of delivery. The Buyer shall notify THALES of the defects in writing within seven (7) calendar days after the defects are discovered, and the notice shall thoroughly describe the conditions under which the defect has arisen in order to facilitate the diagnostic of the defect. Upon request by Thales, Buyer shall send the Products alleged to be defective to Thales to enable Thales to perform an analysis. If the Products are found to be defective following counter-analysis by Thales, the defects of the Products returned by the Buyer will be made good at THALES' expense by repair or replacement at THALES’ option. The property of the defective Products shall pass to THALES upon delivery of the replacement. For sale of products that consist of Secure Elements, the Failure Analysis Process (available on demand) shall apply. "Secure Element" or “SE” means any Thales soldered products (eSE, eSIM, Combo, MIM etc.) irrespective of the form factor package (MFF2, WLCSP, etc).

Transportation and insurance costs for defective parts returned to THALES shall be at the Buyer's charge and transportation and insurance costs for parts replaced or repaired by THALES shall be at THALES’ charge. Notwithstanding the foregoing, for Secure Elements, THALES is not liable and expressly disclaims all liability for Replacement Costs and Expenses (means costs and expenses incurred by a replacement of products and relating to but not limited to the removal of a defective product, customer support, calling center, channel support, products return (i.e., return of the product on a standalone basis, the vehicles or product, device, system into which the product is installed), workmanship to remove and reinstall the product, shipping and handling, scrapping). For the Products which have been replaced or repaired by THALES hereunder, THALES shall have the same liability as set out in this sub-Article 9.1. The Products are provided “as is” and THALES’ warranty hereunder is strictly limited to the repair or replacement of defective parts. The above warranty shall apply only in as much as the Products have been used and maintained in compliance with THALES’ instructions for use. This warranty shall not apply to consumable and extendible items (such as batteries, fuses, etc.) and to defects arising from or connected with Buyer’s failure to operate or maintain the Products in accordance with THALES’ specifications and documentation and generally with standard practices of product operations and shall not be applicable to defects arising from or connected with (i) any combination of the Products with equipment, materiel, products or systems not furnished, not approved or not specifically recommended by THALES or (ii) any modification of the Products performed by others but THALES (iii) or any accident, vandalism, negligence or handling errors causing damage to the Products (iv) or normal wear and tear (v) or defective installation, maintenance or storage (vi) technical maintenance or interventions on the Products other than those deemed necessary by THALES. For Products resold as is and components that THALES purchases from suppliers, THALES’ warranty is strictly limited to the terms granted to THALES by its suppliers.

9.2 THALES does not and shall not warrant that the Products will be resistant to all possible attacks and shall not incur, and disclaims, any liability in this respect. Even if each Product is compliant with current security standards in force on the date of their design, THALES does not represent nor warrant that the Products conform to the state of the art in electronic security mechanisms at the time they were made and the Buyer acknowledges that the resistance of the security mechanisms necessarily evolves according to the state of the art in security and notably under the emergence of new attacks. Under no circumstances, shall THALES be held liable for any third party actions or claims and, in particular, in case of any successful attack against systems or equipment incorporating the Products. Buyer is deemed to have provided and is responsible for all designs, plans, data (e.g., customization data), electronic security mechanisms and architecture, and specifications with respect to Products (collectively, "Designs"). If, at Buyer's request or otherwise, THALES makes suggestions with respect to the Designs, Buyer will be responsible for analyzing the same and determining whether or not to incorporate them into the Designs. Buyer represents and warrants that by placing an order for the Products (a) it relies on its own knowledge and judgment in the selection and use of the Products as well as the electronic security mechanism and/or architecture installed in the Products, and (b) it has understood and accepted the electronic security mechanisms and/or architecture offered by the Products. THALES shall not be liable in any manner whatsoever with respect to failure of, or attack on the electronic security mechanisms and/or architecture of the Products.
9.3 The warranty in this Article and the rights and remedies of the Buyer hereunder are exclusive and in lieu of and the Buyer hereby expressly waives any other warranties, rights or remedies whether statutory, express or implied arising by law or otherwise with respect to any defects in or failures of the Products. In particular, THALES does not warrant that the Products will be resistant to any and all possible efforts to defeat or disable its functions, including its security mechanisms, and THALES shall not incur, and disclaims, any liability in this respect.

10. LIABILITY

10.1 To the maximum extent permitted by applicable law and with respect to any damages, losses or costs arising out of or related to the Contract, THALES or its suppliers, agents or distributors shall not be, in any case whatsoever, liable to the Buyer, its officers, agents, employees, successors and/or assignees for any indirect, special, consequential or incidental damages of whatever kind or nature, nor for any loss, cost, damage, loss of revenue, loss of profit, income, revenue, loss of use, production or anticipated savings, loss of business, contracts or commercial opportunities, loss or damage to goodwill or reputation, or any loss or corruption of any data, database or software incurred or suffered by the Buyer and/or any third party resulting from a defect, infringement or alleged infringement, an accident, the failure of the Products or any failure to perform according to the Contract even if THALES has been advised of the possibility of such damages; losses or costs. The Buyer shall defend, indemnify, and hold THALES harmless from and against any claim based on any such damages, losses or costs.

Under no circumstances shall THALES be liable to the Buyer for (i) the cancellation or delays in the shipping or delivery of the Products based on indicative or tentative delivery schedule, shipping dates or lead times (ii) any damages, losses or costs resulting from or arising out of any illegal and/or fraudulent use of the Products by the Buyer, any third party or the end-user.

Any action against THALES must be brought within no later than ninety (90) days from the date of the event giving rise to any such claim, and any lawsuit relative to any such claim must be filed within one (1) year of the event giving rise to such claim. Any claims that have been brought or filed in conflict with the preceding sentence shall be null and void

10.2 The aggregate liability of THALES and its suppliers, agents or distributors arising out of or in connection therewith, from any cause whatsoever, whether based on breach of contract or in tort (including without limitation, negligence, strict liability, or otherwise) under any warranty, or otherwise shall not exceed either (i) ten (10) percent of the price of the Order giving rise to the claim or (ii) the total payments received by THALES under the Contract during the six (6) months preceding the event leading to the claim for damages by the Buyer whichever is smaller. This limitation of liability shall apply regardless of the form of action, whether in contract or in tort (including negligence) or based on a warranty.

10.3 Buyer acknowledges that using or selling Products in devices or systems where malfunction may result in personal injury, death, damage to property or the environment is at its own risk and agrees to indemnify and hold THALES harmless from all loss, expense and damages (including reasonable attorney’s fees) which may be incurred by THALES as a result of any claims or actions resulting from damages caused by the use of the Product in such devices or systems by Buyer or any party to whom the Buyer has directly or indirectly supplied the Product.

11. FORCE MAJEURE

11.1 Neither Party shall be liable or responsible for any failure or any delay to fulfill any of its obligation hereunder, nor be deemed to have defaulted under or breached this Contract, for any failure or delay in fulfilling or performing any term of this Contract (except for any obligations to make payments to the other Party under this Contract) for the duration of such Force Majeure Event and for 90 days thereafter, when and to the extent such failure or delay is caused by or results from a Force Majeure Event.

11.2 The Party experiencing a Force Majeure event shall promptly notify the other Party of the inability to perform its obligations under this Contract resulting from Force Majeure (“Force Majeure Declaration”). If as a result of Force Majeure, the performance by either Party of its obligations under this Contract is only partially affected, such Party shall nevertheless remain liable for the performance of those obligations not affected by Force Majeure.

11.3 If Force Majeure continues for a period of more than ninety (90) consecutive calendar days from the date of the Force Majeure Declaration and has prevented either of the Parties from performing its obligations in whole or in part during that period, then the other Party shall be entitled to terminate the Contract either in whole or in part forthwith by written notice to said Party. The notice to terminate must specify the termination date, which must be not less than thirty (30) days after the date on which the notice to terminate is given. Once a notice to terminate has been validly given, this Contract will terminate on the termination date set out in the notice. Each Party shall bear its own costs incurred by the Force Majeure.

11.4 “Force Majeure” means acts beyond the affected Party’s reasonable control, including, without limitation: acts of God, fire, flood, earthquake, windstorm or other natural disaster, war, threat of or preparation for war, armed conflict, imposition of sanctions, embargo, breaking off of diplomatic relations or similar actions; terrorist attack, civil war, civil commotion or riots, border or customs closure; nuclear, chemical or biological contamination or sonic boom; epidemic or pandemic; voluntary or mandatory compliance with any law (including a failure to grant any license or consent needed or any change in the law or interpretation of the law); explosion or accidental damage; extreme adverse weather conditions, sonic boom and meteor shower: collapse of building structures, failure of plant machinery, machinery, computers or vehicles; any labor dispute, including but not limited to strikes, industrial action or lockouts; non-performance or delayed performance by suppliers or subcontractors (other than by companies in the same group as the party seeking to rely on this Article); and interruption or failure of utility service, including but not limited to electric power, gas or water.

12. TRADE COMPLIANCE

12.1 The Buyer shall comply with all applicable export controls and economic sanctions (“Export Laws”), including, as applicable, the Export Administration Regulations maintained by the U.S. Department of Commerce (“EAR”), trade and economic sanctions maintained by the Treasury Department’s Office of Foreign Assets Control (“OFAC”), export controls and restrictive measures maintained by the U.K. Government, the European Union (the “EU”) and by any EU member-state, as well as any embargo and trade control regulation.

Therefore, the Buyer shall not sell, export or supply Thales Products or Services to any individuals or legal entities that are the subject of sanctions or of blocking or asset-freeze measures applicable in the United States of America, in any EU member-state (whether resulting from EU regulations or from a governmental decision) or in the United Kingdom. This shall apply, without limitation, to individuals and legal entities that are on the OFAC List of Specially-Designated Nationals and Blocked Persons, the national list of any EU member-state or the EU Consolidated List.
Should the Products or Services be subject to export restrictions, the Buyer shall maintain full, true, and accurate records of exports, re-exports, and transfers of Thales Products and Services purchased for at least five (5) years following the respective dates of such exports, re-exports, or transfers, and the Buyer agrees to provide such export-related records to THALES upon the latter’s request.

12.2 The Parties acknowledge that the subject matter of the Contract may fall within the scope of the provisions set forth by the Wassenaar Arrangements or any successor, substitute or additional body regulating sensitive technologies. Should performance of the Contract legally be prevented by the regulators of the Wassenaar Arrangements or any such other body, such prevention shall be considered as a case of Force Majeure. THALES shall not be liable to Buyer for any damages resulting from the non-performance of the Contract as a result of the application of any such provisions. ANTI-CORRUPTION, INFLUENCE PEDDLING AND INTEGRITY AND CORPORATE RESPONSIBILITY CHARTER

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

13. INTELLECTUAL PROPERTY, CONFIDENTIALITY AND INFRINGEMENT

13.1 The information and data (hereafter the “Information”) contained in any document or support of information supplied by THALES under the Proposal or the Contract shall remain THALES’s or its third party licensors exclusive property along with all intellectual property rights (including but not limited to patent rights, copyrights, trademarks, designs) attached thereto. Therefore, no right, title or interest is transferred to the Buyer by the Contract in the names, trademarks, trade secrets, patents, pending patents, expertise, copyright and other intellectual property rights relating to the Products. In particular, to the extent that software is embedded in a Product, the sale of such Product shall not constitute the transfer of ownership rights or title in such software to Buyer, but, subject to the provisions set forth herein, shall only imply a non-exclusive and non-transferable license to Buyer under THALES’s or its third party licensors intellectual property rights incorporated in the Products to use such software in conjunction with and as embedded in the Products supplied by THALES or as directed by THALES.

THALES is not obliged to make the source code of the software available to the Buyer except as required by Open License Terms. The software may contain open source software the use of which is governed by the appropriate license conditions (the Open License Terms). The list of open source software and Open License Terms are included in the product documentation as required. THALES may amend the list of open source software at any time. In the event of a conflict between the conditions of this Contract and the Open License Terms, the Open License Terms shall prevail. No license fee is charged to the Buyer by THALES for the use of any such open source software. If required by the Open License Terms, THALES will provide a copy of the source code (or an offer to provide such source code) of the open source software. Notwithstanding anything else to the contrary in this Contract, the Buyer, acknowledges and agrees that THALES provides no warranties and shall have no liability whatsoever in respect of the Buyer’s use of the open source software.

Except as provided in this Article 13, the Buyer shall not be granted any license, either directly or indirectly, by implication, estoppel, or otherwise, to any patent, trade secret, copyright and/or any other intellectual property right of THALES. The Buyer shall not make any use of the Information other than for the purpose of the Contract or, as the case may be, installing, operating and/or maintaining the Products. THALES retains and shall retain full ownership of all inventions, designs and processes made prior to or during the course of performance of any Contract resulting therefrom.

13.2 The Buyer shall keep the Information in strict confidence and shall not disclose any of the Information to any other person than the Buyer’s employees who need to know such Information for the purposes stated in sub-Article 13.1. Any other disclosure shall be subject to THALES’s prior written approval.

13.3 Subject to Article 10, THALES shall indemnify the Buyer against any and all claims, costs, expenses or liability directly and solely arising out of the alleged infringement or infringement of intellectual property rights in the country where Buyer has its registered address as a consequence of the use by the Buyer of the Products in accordance with their technical specifications, provided that the Buyer shall promptly notify THALES in writing of any claim, that no claim may be made after a period of one (1) year from the date of delivery of the Product giving rise to the claim, that the Buyer shall provide all information and assistance required by THALES concerning the claim, that the Buyer shall give THALES the opportunity to defend and settle under the responsibility of THALES any claim in this respect and that the Buyer shall refrain from making any admission, declaration or arrangement with the third party raising such claims.

The foregoing obligation to indemnify the Buyer shall not apply to THALES for Products for which THALES has not obtained a similar indemnification from its supplier(s) and shall not apply either to THALES for any alleged infringement or infringement that is due to or based upon (a) the association or combination of the Products with any other article, software, hardware, apparatus or device, and/or (b) any alteration or modification of the Products which is not made by THALES or which is based upon a design supplied by the Buyer c) damages attributable to the use of the or non-use of a non-Thales product, service, data or business process.

13.4 Should a court or an arbitrator finally establish that there has been an intellectual property infringement or should THALES consider that the Products could be the subject of a claim or suit for intellectual property infringement, THALES may choose, at its option, either:

- to obtain the right for the Buyer to continue using the Products, and/or
- to substitute equivalent products for the infringing Products, and/or
- to modify infringing Products so as to eliminate the infringement, and/or
- to terminate the Contract

13.5 The foregoing states the entire liability and warranty of THALES with respect to the infringement of any patent, copyright, trademark or trade secret or of any intellectual property right by the Products or any part thereof.

13.6 The Buyer on its part warrants that any design and/or instructions furnished or given by it shall not be such as will cause THALES to infringe any intellectual property rights in the performance of the Contract. The Buyer shall, in this respect, hold harmless and protect THALES in the same way as provided under sub-Articles 13.3 and 13.4.

14. DATA PROTECTION

14.1 The parties shall comply with their respective obligations under data protection regulations (including the Privacy Act 1988 (Cth) and European Regulation 2016/679 relating to the processing of Personal Data (GDPR)) that apply in the context of the performance of this Contract.
With respect to the personal data made available by the Buyer to THALES under the Contract, the Buyer shall act as a data controller and THALES shall process personal data only on behalf of the Buyer. Acting as data processor, THALES shall be processing the Buyer personal data according to the Buyer documented instructions as further described in the Orders and for no other purposes than the ones expressly defined and approved by the Buyer, unless required to do so by the laws to which THALES is subject. In such a case, THALES shall inform the Buyer of that legal requirement before processing, unless that law prohibits such information on important grounds of public interest.

THALES shall ensure that it has in place appropriate technical and organisational measures designed to ensure an appropriate level of security of the Buyer personal data in accordance with Article 32 of the GDPR.

If relevant, the Parties mutually agree on a form describing the processing activities under the template provided by THALES. In addition, THALES shall:

- ensure that persons authorised to carry out processing of Buyer personal data are committed to confidentiality obligations and commit to have its sub-processors comply with the same obligations as the one defined hereunder;
- assist Buyer, at Buyer’s costs, by appropriate technical and organizational measures, insofar as this is possible, considering the nature of the processing activities, for the fulfilment of Buyer’s obligations to respond to requests for exercising the data subjects’ rights laid down in the applicable data protection legislation;
- immediately inform Buyer in writing if it believes that Buyer’s instructions with respect to the processing of Buyer personal data infringes any applicable data protection legislation;
- make available to Buyer, at Buyer’s costs, all information necessary to demonstrate compliance with the obligations set out in Article 28 of the GDPR and, upon two (2) weeks prior advance notice to THALES, allow for and contribute to audits, including inspections, conducted by THALES or another auditor mandated by Buyer;
- considering the nature of the processing activities and the information available to THALES, assist Buyer, at Buyer’s costs, in ensuring compliance with the obligations as set out in Articles 32 to 36 of the GDPR;
- at the end of the Contract, THALES shall, at the choice of Buyer, delete or return to Buyer all Buyer personal data and destroy existing copies unless otherwise required by applicable laws;
- where applicable under the GDPR, not transfer Buyer personal data out of the European Economic Area without Buyer prior express consent; and
- notify Buyer without undue delay after becoming aware of a personal data breach.

Buyer hereby gives a general authorisation to THALES to share Buyer personal data with sub-processors, it being understood that THALES shall inform Buyer of any changes of sub-processors, thereby giving Buyer the opportunity to object to such changes in writing, for legitimate reasons and within thirty (30) calendar days following receipt of THALES’ notice. THALES shall remain fully liable to Buyer for the performance of the sub-processors’ obligations.

14.2 (To the extent applicable to SIM and eSIM cards) - Retention period: Pursuant to the personal data protection program (detailed on our website: https://www.thalesgroup.com/en/markets/digital-identity-and-security/policies), THALES retains the input files for a period of four (4) months and the output file for a period of seven (7) months from the date of delivery of the Files (input and output files) to Buyer via the Allynis Connect highly secure data exchange solution (collectively referred to as the “THALES Retention Period”). The retention of the Files is subject to the “Retention Rules for Output and Input Files” available on the THALES web site: https://www.thalesgroup.com/sites/default/files/database/document/2021-03/UICC-production-retention-rules.pdf (The “Retention Terms”). The Retention Terms are incorporated by reference into these General Sales Terms and Conditions and above URL link provides specific, direct instructions on how to access the Retention Terms on the website https://www.thalesgroup.com/en/markets/digital-identity-and-security. The Retention Terms are subject to change, and the Retention Terms in effect at the time of each new order or delivery shall be those on the above identified website at the time of such order or delivery.

15. WASTE OF ELECTRICAL AND ELECTRONIC EQUIPMENT

15.1 Pursuant to the Directive 2002/96/CE on waste electrical and electronic equipment (WEEE), to the Directive 2002/95/CE on restriction of the use of certain hazardous substances in electrical and electronic equipment (RoHS) and to the applicable national transposition legislation and/or regulations, the financing of the management of WEEE may be transferred from the manufacturer to the users.

15.2 Unless otherwise agreed in writing between the Parties, the Buyer hereby accepts such charge and shall therefore:

- Be responsible for financing the collection, treatment, recovery, recycling and environmentally sound disposal of (i) all WEEE arising or deriving from the Products and (ii) all WEEE arising or deriving from products already on the market as of August 13, 2005 where such products are to be replaced by the Products and such products are of an equivalent type or are fulfilling the same function as that of the Products;
- Comply with all additional obligations placed upon the users by the WEEE regulations by virtue of the Buyer accepting the responsibility set out in this sub-Article 15.2.

15.3 The above-mentioned obligations shall be passed on by successive professional buyers to the final user of the EEE, always under the Buyer’s responsibility. Non-compliance by the Buyer with the above-mentioned obligations may lead to the application of criminal sanctions, as laid down in the applicable national transposition legislation and/or regulations.

16. ANTI-CORRUPTION, INFLUENCE PEDDLING AND INTEGRITY AND CORPORATE RESPONSIBILITY CHARTER

16.1 The Parties shall always act in accordance with the national and foreign laws and regulations applicable to the prevention of risks of corruption and influence peddling and where the Buyer is subject to it, French law n° 2016-1691 of 9 December 2016 relating to transparency fight against corruption and modernization of the economy (“Sapin II Law”).

16.2 In compliance with law, Thales performs due diligence on all third parties with whom THALES intends to enter into or to continue a business relationship with. In the event this due diligence were to reveal material ethical risks which in Thales’ reasonable opinion cannot be adequately mitigated, Thales may without incurring payment of damages or indemnity to Buyer be entitled to unilaterally terminate this Contract. This termination shall be effective with immediate effect upon written notice to be sent to the Buyer and shall be without prejudice to any other remedies that may be available to THALES under applicable law.

16.3 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 favourable decision.
Neither Party shall solicit nor accept for itself any offer, promise, gift or advantage of any kind, for the purpose of misusing its influence with a view to making or obtaining any favorable decision.

Each Party declares to have implemented a compliance program that meets the requirements of the Sapin II Law, insofar as it is subject to this requirement.

Any violation by the Buyer of any provision of this Article 16 shall be deemed a material breach of its contractual obligations, entitling THALES either to suspend the contract performance as long as the breach is not satisfactorily remedied or to terminate this Contract and/or any ongoing agreement immediately and without prejudice to any other remedy for which it may be entitled under contractual and/or legal provisions.

The Buyer represents and warrants that none of its Legal Representatives is, has been within the last 3 years, or shall be, at any time over the term of this Contract, a Politically Exposed Person who may by virtue of his/her role or position unduly influence Buyer or its end-customer’s decisions or position in respect of the Parties’ rights and obligations pursuant to this Contract. If over the term of this Contract, the Buyer becomes aware of any circumstance that is likely to affect this representation, the Buyer shall promptly inform Thales of such circumstances. For purposes of this sub-Article: “Legal Representative” shall mean the directors or executive officers of the Buyer or of its controlling shareholders or ultimate financial beneficiaries; “Public Official” shall mean any person, whether appointed or elected, holding a legislative, administrative, military or judicial office, or exercising a public function, including for a public entity, or any official or agent of a public international organization and “Politically Exposed Person” shall mean a Public Official, or any representative of a major political party, as well as any of their respective relatives (i.e. direct ascendants and descendants, collateral relatives, any individual among parents, siblings, spouse, known partner, recognized cohabitee, children, in-laws) or close associates (i.e., those persons notoriously associated with them or who are widely and publicly known to maintain a close relationship with them, including the ultimate beneficiaries of a legal entity held jointly with that person).


In the event of any dispute arising out of or in connection with the existence, validity, construction, performance and/or termination of the Proposal and/or the Contract, the parties shall first refer the dispute to proceedings under the 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 Seoul, Republic of Korea.

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

The arbitration proceedings shall be confidential.

Insofar as the Buyer is a State or a State-owned entity, it agrees to irrevocably waive its immunity from jurisdiction and execution.

For the purpose of any arbitration under this Article, the IBA Rules on the Taking of Evidence in International Arbitration, as presently in force, shall apply in respect of all procedural matters relating to evidence.

Neither THALES nor the Buyer shall, without the express prior written consent of the other (which consent shall not be unreasonably withheld) assign to any third party the Contract or any part thereof, except that THALES shall be entitled, without the Buyer’s consent, to assign the Contract or any part thereof to (i) any affiliated company or to (ii) any third party in connection with a merger, sale of substantially all of THALES’s assets or a change of control.

THALES may terminate the Contract and/or its obligations hereunder at any time upon:

- Default by the Buyer in the payment of any amount due to THALES hereunder;
- The Buyer’s bankruptcy, insolvency or receivership;
- Breach by the Buyer of Article 16 “ANTI-CORRUPTION, INFLUENCE PEDDLING AND INTEGRITY AND CORPORATE RESPONSIBILITY CHARTER”; or
- Any material default by the Buyer under the Contract not cured within fifteen (15) days from the date THALES notifies the Buyer of such default.

Neither Party shall agree to any term of the Contract that shall be enforceable by virtue of the Contracts by any person that is not a party to it.