General Sales Terms and Conditions
THALES DIS Deutschland GmbH

1. General
1.1 These General Sales Terms and Conditions ("Conditions") of THALES DIS Deutschland GmbH ("THALES") apply to all products and services (hereinafter jointly "Services"), sold by THALES to a customer (hereinafter "Customer"). These Conditions shall prevail in the event of a discrepancy with any other oral or written agreements between THALES and the Customer. These Conditions shall also apply if THALES unconditionally fulfills its obligations despite having knowledge of deviating or additional terms from Customer.

1.2 An offer ("Offer") from THALES shall be valid for a period of 30 days from the date of its issuance, unless extended by THALES by written notice to the Customer.

1.3 The Customer's written acceptance of the Offer or placement of an order in writing by the Customer ("Order") shall be deemed the Customer's unconditional and irrevocable agreement to these Conditions.

1.4 The Offer may be altered or withdrawn by written notice from THALES to the Customer at any time until a contract ("Contract") has been executed. The Contract shall be deemed to have been concluded upon receipt of THALES's written acknowledgement ("Order Acceptance").

1.5 If the Customer accepts an Offer with additions or modifications, such acceptance shall be considered a new offer to THALES. Any such new offer shall only be binding upon THALES if and to the extent it is accepted in writing by THALES. 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 cancelled 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 therefrom shall be borne by the Customer.

1.6 The Contract shall consist of:
   • The offer of THALES and/or 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 other special conditions of sale;
   • These Conditions, which form an integral part of the Contract.

1.7 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.

1.8 Any agreements as well as any subsequent additional or deviating agreements shall be made in writing executed by the duly authorized representatives of the parties in order to be effective. This shall also apply to an amendment of the written form requirement.

1.9 Specific success shall not be owed by THALES by work or by a service.

2. Terms of sale
2.1 The minimum quantity shall be 200 (two hundred) units of the products or 1,000 (one thousand), if cards. The minimum price for the respective Service shall be 2,000 Euro (two thousand Euro).

2.2 Unless otherwise agreed in writing, all deliveries shall be made "FCA" (Free Carrier) in accordance with the Incoterms 2010 THALES's premises as further specified in the Order Acceptance and/or the Contract.

2.3 Except as otherwise agreed in writing, the performance of the stipulated time for delivery is subject to the timely
   • Receipt by THALES of all the information and data necessary for the fulfillment of the Order;
   • Receipt by THALES of any license or other official authorization necessary for the import or export.

2.4 Prior to delivery, the products will be stored and packaged in accordance with THALES's usual standards.

2.5 THALES reserves the right to make partial and/or anticipated deliveries. In particular, THALES reserves the right to deliver quantities that may differ from the quantity by up to ± 10% (ten percent) and the Customer undertakes to pay the price corresponding to the quantity of products actually delivered by THALES within that tolerance.

2.6 After a card body product has been ordered from THALES the original image of the card body design transmitted will be separated into its color separations in the pre-printing stage at the relevant production site. The color separations are based on the four-color model CMYK (cyan, magenta, yellow, black, also known as the ISO code). On the basis of the color separation proofs will be made which will be provided to the Customer electronically or on paper for approval. All other colors will be created and printed on the basis of the PANTONE color chart available in each THALES production site. All special colors shall be made from PANTONE basic colors. The difference between the proof and the PANTONE primary colors chart and the colors printed on the card products shall be measured with a spectrophotometer and shall not exceed ± 3.5 in the CIE 94 colorimetric space (2.1.1) D65/10.

2.7 Should the delivery of the products or the performance of the service be postponed for any reason not attributable to THALES, THALES shall be entitled to store the products or any part thereof at the risk and at the expense of the Customer. In such case, THALES shall issue and sign a warehouse certificate discharging THALES of all liabilities incurred in connection with such storage.

3. Transfer of risks and title
3.1 The risk of accidental loss and damage to the products and the title to the products shall transfer to the Customer upon delivery.

3.2 If the performance of the Service, the delivery, or the taking over by Customer is delayed for reasons within Customer's responsibility, or if Customer has failed for other reasons to accept delivery, the risk of accidental loss or damage to the product shall transfer to Customer on the date when it would have passed but for such reasons or failure of Customer.
4. Price

4.1 Provided nothing to the contrary has been agreed in writing, the prices for the Services specified in the Offer and Order Acceptance of THALES are fixed and firm for the execution of the contract.

4.2 The prices shall be quoted in Euro, which will be the invoicing, and payment currency.

4.3 Unless otherwise agreed all prices are to be understood “FCA” (Incoterms 2020), THALES premises.

4.4 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 borne exclusively by the Customer.

5. Invoicing and payment

5.1 Unless otherwise agreed in writing any invoices are due immediately and payable without any deduction, at the latest, however, within 30 (thirty) days from the invoice date.

5.2 In case Customer fails to make any payment on the due date then, without prejudice to any other rights or remedies available to THALES, THALES may, without limitation, (i) postpone the fulfillment of its own obligations until full payment of the sums due for the principal; (ii) charge interest at the annual rate of 8 (eight) percentage points above the Base Lending Rate of the European Central Bank; (iii) terminate the Contract upon expiry of a 7 (seven) calendar day written notice of THALES to the Customer which has remained without effect. If THALES suspends its obligations due to late payments the Customer shall pay THALES for all Services performed until receipt of the suspension notice as well as for all additional cost not compensated by this payment, but incurred in connection with the performance and/or suspension including but not limited to payments due to sub-suppliers and sub-contractor, cost of waiting time as well as cost for the protection of the Services. In addition, Customer shall grant an adequate extension of time (including the time necessary to restart the works after suspension if lifted) to THALES.

5.3 In the event of a payment delay by the Customer, THALES may also require for any new delivery payment prior to shipment or suspend or cancel any pending Contract or Order without incurring any liabilities whatsoever. Customer may set off only those claims made under this Contract that are undisputed or have been finally determined.

6. Retention of Title

6.1 THALES shall retain title to the Services until complete performance by Customer. In addition, THALES shall retain ownership over the Services until all claims that have arisen from the business relationship with Customer by the time of contract conclusion (present claims) as well as all further claims of THALES vis-à-vis Customer arising from the business relationship prior to the full meeting of the present claims, have been fully satisfied. If the laws of a country do not allow the retention of title but permit the retention of similar rights, THALES can exercise all such rights. Customer shall be obliged to undertake, at his cost, all measures that are required to ensure that the retention of title or, in lieu thereof, another right to the Services, becomes effective and is maintained.

6.2 Customer shall be obliged to separately store the Services that are subject to retention of title and insure them, whilst the retention of title or another right according to section 2.4 applies, against all usual risks including, in particular, theft and destruction and to visibly mark and register them as the property of THALES. At that point Customer assigns all rights and claims vis-à-vis the insurance company to THALES. A copy of the insurance policy as well as the premium receipts must be submitted to THALES upon request.

6.3 Customer has the revocable right to resell the Services that are subject to retention of title during the regular course of business or to process them pursuant to the provisions listed below during the regular course of business. If the Services are resold, Customer, at that point, assigns to THALES the rights and claims from the resale and, in particular, any payment claims but also other rights and claims in connection with the resale. In the event of a resale, THALES shall authorise Customer to collect any payment claims from third parties on behalf of THALES.

6.3.1 If the Services are combined or mixed with other items that are not owned by THALES, THALES becomes co-owner according to the statutory regulations. If the items are combined or mixed in a way that the item that is not owned by THALES must be considered the main item, Customer shall be obliged to transfer co-ownership to THALES on a pro-rata basis.

6.3.2 Whilst the retention-of-title clause is valid, Customer shall be prohibited from pledging or assigning the Services by way of security without the prior written consent of THALES.

6.3.3 If Services are seized or if the owner’s interests are otherwise impaired, Customer shall inform THALES forthwith and submit any documents required for legal proceedings. Unless THALES is reimbursed by the third party who has impaired the owner’s interests for the reimbursable judicial and extrajudicial costs immediately after payment has been requested, Customer shall be liable vis-à-vis THALES.

6.3.4 Upon suspension of payments, the application for and the initiation of legal insolvency proceedings or out-of-court settlement procedures, Customer forfeits the right to use the Services.

6.4 THALES shall be obliged to release, at its discretion, the securities that are due to THALES as long as their estimated value is higher than 150 percent of the sum of the outstanding claims.

6.5 If Customer is in breach of duty and if, in particular, he defaults on payments, THALES shall be entitled to take back the Services that are subject to retention of title or request that Customer assign his claims for the return of Services against third parties to THALES or to withdraw from the contract. The fact that Services that are subject to retention of title are taken back does not in itself constitute withdrawal from the contract. Taking back the Services that are subject to retention of title or asserting retention of title does not require THALES to withdraw from the contract; these acts or the seizing of delivered Services by THALES only constitute a withdrawal from the contract if it is explicitly declared as such by THALES.

7. Acceptance testing

7.1 If an acceptance testing procedure is provided for in the Contract, such procedure shall be carried out, after completion of manufacture and before delivery of the products, at the premises of THALES, within a maximum period of 15 (fifteen) calendar days from the date of issuance of a written notice for
The final liability of the services for defects shall expire the latest six months after the date of delivery or completion of the services. The limitation period for defects shall be 12 (twelve) months for all and any products and services and shall start at the date of delivery or completion of the services. The limitation period for a remedied part of the products or services shall be 6 (six) months, but expire the latest 6 (six) months after lapse of the defects liability for the original product or services provided in the first sentence of this Article 8.5 above.

8.6 In the event Customer provides designs, plans, data (e.g. personalization data), electronic security mechanisms and architecture and specifications with respect to Services (collectively “Designs”) Customer is responsible for such Designs. If, at Customer's request or otherwise, THALES makes suggestions with respect to Designs, Customer will be responsible for analyzing the same and determining whether or not to incorporate them into the Designs. Customer represents and warrants that by placing an order for the Services (a) it relies on its own knowledge and judgment in the selection and use of the Services as well as the electronic security mechanism and/or architecture installed in the Services, and (b) it has read, understood and accepted the electronic security mechanisms and/or architecture offered by the Services. 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 Services.

8.7 THALES does not and shall not warrant or guarantee that the Services will be resistant to all possible attacks and shall not incur, and disclaims any liability in this respect. Even if the Services are compliant with current security standards in force on the date of their design, the Customer acknowledges that the resistance of the security mechanisms necessarily evolves according to the state of the art in security systems and notably under the emergence of new attacks. Under no circumstances shall THALES be held liable for any third-party actions or claims, in particular not in the event of successful attacks against systems or equipment in connection with the Services.

8.8 The liability of THALES for defects in this clause and the rights and remedies of the Customer hereunder are exclusive and in lieu of any other rights and remedies of the Customer.

9. Liability

9.1 THALES or its suppliers, shall in no event be liable for any incidental, consequential, indirect or punitive damages, special damages, for loss of production, loss of earnings, loss of revenue, loss of profit, loss of savings, payment of interest and financing expenses; loss of information and data; damages
based on Customer’s third party contracts such as Customer’s purchasers, other contractors/suppliers or clients; or loss of use, incurred or suffered by the Customer or a third party resulting from a defect, infringement or alleged infringement, an incident, the failure of the Services or any failure to perform according to the Contract. This will also apply if THALES was advised in advance of the possibility of such damages. The Customer shall defend, indemnify, and hold THALES harmless from and against any such claim. Under no circumstances shall THALES be liable to the Customer for any damages resulting from or arising out of any illegal or fraudulent use of the Services by the Customer, any third party or the end-user.

9.2 THALES or its suppliers shall only be liable for damages if the damage was caused through THALES’s culpable breach of major contractual obligation (cardinal duty). THALES’s or its suppliers total aggregate liability towards Customer shall be limited to damages which were foreseeable by THALES at the time when the Contract was concluded but not more than the actual payment received by THALES under the respective Contract during the 6 (six) months preceding the event leading to the first claim for damages by Customer.

9.3 The foregoing limitations of liability and disclaimer shall not apply a) in cases of willful misconduct and gross negligence of THALES; or b) in the case of culpable injury to life, body or health; or c) under the liability provisions of the German Product Liability Act.

9.4 Any Customer's claim must be brought by Customer within 90 (ninety) days of the date of the event giving rise to any such claim, and any lawsuit relative to any such claim must be filed within 1 (one) year of the date of the claim.

9.5 Customer acknowledges that using or selling Services 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 Services in such devices or systems by Customer or any party to whom the Customer has directly or indirectly supplied Services.

10. Trade Compliance

10.1 Customer shall comply with all applicable export controls and economic sanctions (the “Export Laws”), including, as applicable, the Export Administration Regulations maintained by the U.S. Department of Commerce (the “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 state member as well as any embargo and trade control regulation.

10.2 Therefore, Customer shall not sell, export or supply Services to individuals who or legal entities that are the subject of blocking or asset-freeze measures applicable in the United States of America, in any EU state member (whether resulting from EU regulations or from a governmental decision) or in United Kingdom. This shall apply, without limitation, to individuals who and legal entities that are on the OFAC List of Specially Designated Nationals and Blocked Persons, the national list of any EU state member or the EU Consolidated List.

10.3 Should the Services be subject to export restrictions Customer agrees to maintain full, true, and accurate records of exports, re-exports, and transfers of Services purchased and distributed or resold for at least five (5) years following the date of any such export, re-export, or transfer and Customer agrees to provide such export related records to THALES upon the latter’s request.

10.4 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 DIS 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.

10.5 Any violation by Customer of any provision of this Article 10 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 without prejudice to any other remedy for which THALES may be entitled as per contractual provisions and/or at law.

10.6 THALES will not perform deliveries, orders and other obligations under a Contract if that performance is hindered by the applicable export laws and regulations of the national authorities, the authorities of the Federal Republic of Germany, the European Community, the United States of America or of other countries.

11. Intellectual Property, Confidentiality and Infringement

11.1 All information and data ("Information") contained in any document or direct supply of information by THALES shall remain THALES’s exclusive property. The sale of software shall not constitute the transfer of ownership rights or title in such software to Customer. The Customer of the software shall have a non-exclusive and non-transferable right to use the software. The Customer shall and shall contractually bind its customers and the end-customers not to copy, modify, translate, reverse engineer, create derivative works, disassemble or decompile the software or otherwise use the software. The Customer shall not use any of the Information for other purposes than set forth in the Contract or, as the case may be, for installing, operating and/or maintaining the Services. THALES retains and shall retain full ownership of all inventions, designs and processes made prior to or during the course of performance of this Contract.

11.2 The Customer shall keep the Information in strict confidence and shall not disclose any of the Information to any other person other than the Customer’s employees who need to know such Information. The Customer shall not make available or disclose any Information to any other person without prior written consent of THALES. The obligations expressed in this provision shall remain binding upon the Customer even after completion or termination of the Contract.

11.3 Always subject to Article 9 above, THALES shall hold harmless, protect and indemnify the Customer against any and all claims, costs, expenses or liability directly arising out of the
infringement of patent, copyright, trade secret rights, as existing at the date of entry into the Contract in the Customers' country and as a consequence of the use by the Customer of the products in accordance with their technical specifications. The foregoing obligations are conditioned on Customer: (a) notifying THALES promptly in writing of the claim; (b) cooperating and, at THALES's request and expense, assisting in such defense; (c) giving THALES sole control of the defense thereof and any related settlement negotiations; and (d) that the Customer itself shall refrain from making any admission, declaration or arrangement with the third party raising such claims. THALES has no obligation under this Article 11 or otherwise with respect to any claim arising out of the infringement of intellectual property rights based upon: (a) any use of the Services not in accordance with the Conditions and/or the Contract; (b) any modification of the Services by any person other than THALES or its authorized agents; (c) use of the Services in combination with product, business process, data or equipment if the infringement was caused by such use or combination, regardless of whether or not the Product or elements of the Product are a material part of the infringement; (d) any content and/or materials introduced or made available in or through the product by Customer, Customer's client(s), end users, and/or any third parties; (e) the infringement of any method or process in which any product may be used but not covering the products when used alone; (f) the use of the Services other than as permitted in the related documentation; or (g) use of the Services during any time period after THALES has notified Customer to discontinue use of the same, (sub-sections (a) to (g) are hereafter collectively referred to as "Excluded Claim(s)"). Customer indemnifies THALES against all liability, damages and costs (including reasonable attorneys' fees) resulting from or related to an Excluded Claim.

11.4 If a court or an arbitrator finally establishes that there has been an infringement of patent, copyright, trade secret rights as set forth in Article 11.1 or should THALES consider that the Services could be the subject of a claim or suit for infringement, THALES may choose one of the following solutions:

- to obtain the right for the Customer to continue using the Services,
- to substitute equivalent products or services for the infringing Services,
- to modify infringing Services so as to eliminate the infringement, or
- to terminate the Contract or any part thereof.

11.5 This Article 11 states the entire liability and warranty of THALES. Any further rights and remedies of Customer (including Customer's right to claim damages) shall be excluded. Except as expressly stated in this Article 11 any remedy for indemnification regarding such intellectual property rights shall become time-barred 12 (twelve) months after the delivery of the respective Service to Customer.

11.6 Customer's obligations arising out of this Article 11 shall survive the expiration or termination of this Contract.

12. Data Protection

12.1 The Parties shall comply with their respective obligations under data protection regulations (including the 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 Customer to THALES under the Contract, Customer shall act as a data controller and THALES shall process personal data only on behalf of Customer. Acting as data processor, THALES shall be processing Customer personal data according to Customer documented instructions as further described in the orders and for no other purposes than the ones expressly defined and approved by Customer, unless required to do so by European Union or Member State law to which THALES is subject. In such a case, THALES shall inform Customer 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 organizational measures designed to ensure an appropriate level of security of Customer 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 authorized to carry out processing of Customer 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 Customer, at Customer's costs, by appropriate technical and organizational measures, insofar as this is possible, taking into account the nature of the processing activities, for the fulfilment of Customer's obligations to respond to requests for exercising the data subjects' rights laid down in the applicable data protection legislation;
- immediately inform Customer in writing if it believes that Customer's instructions with respect to the processing of Customer personal data infringes any applicable data protection legislation;
- make available to Customer, at Customer'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 Customer;
- taking into account the nature of the processing activities and the information available to THALES, assist Customer, at Customer'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 Customer, delete or return to Customer all Customer personal data and destroy existing copies unless otherwise required by applicable laws;
- not transfer Customer personal data out of the European Economic Area without Customer's prior express consent; and
- notify Customer without undue delay after becoming aware of a personal data breach.

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

12.2 (to the extend 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 Customer 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 Thales web site: https://www.thalesgroup.com/sites/default/files/database/document/2021-03/UICC-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.

13. Anticorruption and Influence Peddling

13.1 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 Customer 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”).

13.2 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 Customer be entitled to unilaterally terminate this Contract. This termination shall be effective with immediate effect upon written notice to be sent to Customer and shall be without prejudice to any other remedies that may be available to THALES under applicable law.

13.3 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.

13.4 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 favourable decision.

13.5 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.

13.6 Any violation by Customer of any provision of this Article 13 shall be deemed a material breach of its contractual obligations, entitling THALES either to suspend the Contract or to continue the performance as long as the breach is not satisfactorily remedied or to terminate the Contract immediately and without prejudice to any other remedy for which it may be entitled under contractual and/or legal provisions.

13.7 Customer 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 Customer or its end-customer’s decisions or position in respect of the Parties’ rights and obligations pursuant to this Contract. If the contract or any other provision 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).
15. Force Majeure

15.1 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.

15.2 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.

15.3 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.

15.4 “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; 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 by suppliers or subcontractors (other than by companies in the same group as the party seeking to rely on this clause); and interruption or failure of utility service, including but not limited to electric power, gas or water.

16. Applicable Law, Settlement of Disputes and Severability Clause

16.1 The Offer and the Contract shall be subject to the law of the Federal Republic of Germany, excluding the provisions of private international law. In particular, the application of the CISG (United Nations Convention on Contracts for the International Sale of Goods, 1980) shall be excluded.

16.2 The Place of jurisdiction shall be Munich (Germany) to resolve all disputes of the parties arising from or in connection with the existence, the validity, the formation, implementation and/or termination of the Offer and/or of the Contract, insofar as it is not possible for the parties to reach an out-of-court settlement.

16.3 If one of the above provisions is or becomes ineffective or if an omission becomes apparent, the validity of remaining provisions shall not be affected thereby. The parties undertake to replace any ineffective provision by an effective provision, which reflects as closely as possible the purpose of the ineffective provision. In case of an omission the parties shall agree on a provision they would have agreed upon had they considered the issue at the time of conclusion of the Contract.

17. Assignment

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

18. Termination

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

- Default by Customer in the payment of any amount due to THALES hereunder;
- Customer’s failure to pay any debt to THALES;
- Customer’s bankruptcy, insolvency or receivership;
- Breach by Customer of Article 10 “Trade Compliance” and of Article 13 “Anticorruption and Influence Peddling”;
- Any material default by Customer under the Contract not cured within fifteen (15) days of the date THALES notifies Customer of such default.

18.2 The licenses granted under this Contract shall terminate immediately upon the termination of this Contract.

18.3 The Contract shall be firm and binding and may not be cancelled by Customer except with and upon THALES’S prior written consent.