

General Terms and Conditions

Cloud Protection & Licensing

VERSION UPATED FEBRUARY 2020



UNLESS A SEPARATE WRITTEN AGREEMENT IS CURRENTLY IN FORCE BETWEEN YOU AND THALES WITH RESPECT TO THE SUBJECT MATTER SET FORTH HEREIN, THESE GENERAL TERMS AND CONDITIONS APPLY TO ANY THALES QUOTE AND/OR ORDER COVERING THE THALES OFFER FOR SALE OR LICENSE (AS APPLICABLE) OF THALES CLOUD PROTECTION & LICENSING HARDWARE, SOFTWARE AND/OR SOFTWARE-AS-A-SERVICE (SAAS) OFFERINGS AND ANY RELATED SUPPORT SERVICES ("SUPPORT SERVICES") FROM THALES. FOR CLARITY, ANY PURCHASE OF THALES PROFESSIONAL SERVICES IS SUBJECT TO A SEPARATE AGREEMENT.

THALES' OFFER IS CONDITIONED UPON AND CAN ONLY BE ACCEPTED BY PURCHASER UPON ACCEPTANCE OF THESE GENERAL TERMS AND CONDITIONS, INCLUDING ANY ADDITIONAL TERMS REFERENCED HEREIN. WITH RESPECT TO ANY PURCHASER TERMS THAT ADD TO, VARY FROM, OR CONFLICT WITH THESE TERMS AND CONDITIONS, THALES HEREBY OBJECTS TO AND REJECTS SUCH TERMS. THALES' FAILURE TO OBJECT TO PROVISIONS CONTAINED IN ANY COMMUNICATION FROM YOU WILL NOT BE A WAIVER OF THE PROVISIONS HEREOF.

YOU ACKNOWLEDGE AND AGREE YOU HAVE NOT RELIED ON ANY PROMISE, STATEMENT OR REPRESENTATION MADE OR GIVEN BY OR ON BEHALF OF THALES WHICH IS NOT SET OUT IN THESE TERMS.

1) DEFINITIONS

"Agreement" means, collectively, all terms and conditions between Thales and Purchaser governing purchase of Products and/or Support Services, including these General Terms and Conditions.

"Affiliate" means, with respect to any company, any other company directly or indirectly through one or more intermediaries controlling, controlled by or under common control with such other company. For purposes of the immediately preceding sentence, the term "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any company, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such company, whether through ownership of voting securities, by contract or otherwise.

"Authorized Partner" means any of Thales' authorized distributors, resellers or other business partners.

"Purchaser" means the entity which has issued an Order in response to a Quote for the Products and/or Support Services.

"Documentation" means the applicable user manuals, operating manuals, technical manuals, handbooks, installation guides, design documents and any other instructions, specifications, documents or materials, in any form or media, that describe the functionality, structure, installation, testing, operation, use, maintenance, support, technical or other components, features or requirements of the Products and/or Support Services.

"End-User" means Purchaser or, if Purchaser is an Authorized Partner, the end customer to which the Authorized Partner sells the Product and/or Support Services, as applicable, for internal use by such party, and not for further resale.

"Hardware" means, individually or collectively, hardware equipment products purchased from Thales and that operate in conjunction with the Software, but excludes any Software sold separately or other intangible Products. Hardware may include Software or firmware pre-installed in the Hardware in executable code. The Hardware may be modified by Thales from time to time in its sole discretion.

"Intellectual Property Rights" means any and all intellectual property rights in any part of the world, arising under statutory or common law or by agreement and whether or not perfected, registered or unregistered, now existing or hereafter filed, issued, or acquired, and any renewals, extensions and other government issued indicia of ownership thereof, including, but not limited to, rights comprising or relating to: (a) patents, patent disclosures and inventions (whether patentable or not); (b) rights associated with works of authorship including copyrights and copyrightable works (including, but not limited to, computer programs), copyright registrations and applications for copyright registration, "moral" rights and mask work rights (all "copyrights"); (c) rights relating to the protection of trade secrets, know-how and other Confidential Information; (d) trademarks, trade dress, trade names, logos and service marks, together with the goodwill or business symbolized by or associated therewith ("Trademarks"); (e) domain names, web addresses and social media identifiers; (f) any registrations or applications for registration for any of the foregoing, including any provisionals, divisions, continuations, continuations-in-part, renewals, reissuances, re-examinations and extensions (as applicable); and (g) analogous rights to those set forth above.

"Order" means the applicable ordering document or process accepted by Thales or Purchaser's purchase order or other ordering document submitted to Thales to order Products and/or Support Services.

“**Order Acknowledgement**” means a written (confirmation notice electronic or otherwise) that Thales issues to Purchaser confirming the purchase and/or license of the Products and/or Support Services by Purchaser.

“**Products**” means Thales Cloud Protection & Licensing Hardware, Software and/or Software-as-a-Services offerings.

“**Quote**” means the Thales issued written quotation for the Products and/or Support Services.

“**Software**” means the Thales software in executable code ordered by Purchaser and set forth in an Order Acknowledgment and/or, if applicable, the software or firmware pre-installed in the Hardware in executable code. Software also includes all new versions, new releases and any updates, upgrades or new features, functionality or enhancements, or error correction to the Software provided by Thales as part of any Support Services purchased by Purchaser or in response to an appropriate warranty claim. Purchase of Software will be further subject to the applicable end user license agreement (“EULA”) either (i) provided with the Product at the time of delivery or included with the software media packaging; (ii) presented to Purchaser during the installation or use of the Software; or (iii) if no license terms accompany the Product or are not otherwise made available to Purchaser by Thales, the EULA located at <https://www.thalesecurity.com/about-us/legal> shall apply.

“**Software-as-a-Service**” or “**SaaS**” means software functionality made available to End-User for use via cloud-hosted applications. Purchase of any Software-as-a-Service offerings is further subject to the applicable terms of service (“TOS”) presented at the time of End-User access to the SaaS.

“**Support Services**” means the provision of technical maintenance and support for the Products purchased by the Purchaser. Purchase of Support Services is subject to the Global Support Terms and Conditions located at <https://www.thalesecurity.com/about-us/legal> (“Support Terms”).

“**Thales**” means the Thales Affiliate as listed in Section 17 and as set forth in the Order Acknowledgment.

2) PURCHASE ORDERS

- a. **Ordering Procedure.** As a minimum, Orders shall include (a) a list of Products and Support Services to be purchased or licensed; (b) the quantity of each of the Products or Support Services ordered; (c) the unit price for each of the Products and Support Services to be purchased; (e) the billing address; and (f) the delivery location. No Orders shall be accepted by Thales and no shipments shall be made if Purchaser does not comply with the Order requirements set forth herein.
- b. **Order Placement.** Orders placed by Purchaser are firm and binding on Purchaser once accepted in writing by Thales. An Order shall not be valid and binding upon Thales unless and until all the information required by the Ordering Procedure has been provided to Thales and accepted by Thales. After an Order has been accepted by Thales, Purchaser may request changes in writing, to delivery location, term, specification, or quantity, provided such changes are accepted by Thales in the Order Acknowledgment or through written confirmation. In such an event, at Thales’ request, the Order shall be amended in writing by Purchaser to reflect such changes. Orders may not be cancelled, suspended, or changed by Purchaser without the prior written consent of Thales. In the event Thales agrees to cancel an order, cancellation fees (such as restocking fees) may apply. Products cannot be returned except as otherwise provided in the limited warranty or the Support Terms.
- c. **Order Acknowledgment.** No Order shall be deemed to be accepted by Thales until an Order Acknowledgment or written confirmation is provided by Thales, or (if earlier) upon the day of shipment of the Products pursuant to the Agreement, or unless otherwise provided by Thales. If applicable, the Order Acknowledgment will provide indicative delivery lead times. Thales reserves the right to accept or reject the Order or the Quote signed by Purchaser at any time, without liability of any kind.
- d. **Order Cancellation.** Thales may cancel any accepted Order and may delay or decline to make any further shipments in the event of: (i) non-payment or other default by Purchaser; (ii) bankruptcy or insolvency of Purchaser; (iii) any proceeding brought by or against Purchaser, voluntarily or involuntarily, under any provision of any bankruptcy or other insolvency law of any nation or community of nations and any political subdivision thereof; or (iv) Restriction (as defined in subpart f below) issued against the Products.
- e. **Security Interest.** Thales shall retain a purchase money security interest in all Products delivered hereunder until all associated invoices therefor are paid in full, and Purchaser shall execute any documentation reasonably requested to enforce such security interest.
- f. **Stop-ship restrictions.** Purchaser acknowledges that Products may be subject to a stop-ship restriction (“Restriction”). In such an event Thales will provide reasonable notice to Purchaser of such Restriction; however

Thales does not guarantee the resolution of the Restriction, nor that the Order will be fulfilled. Any Order for Products subject to a Restriction will be fulfilled subject to availability in spite of the day and time of the Order. Any dates provided by Thales in connection with the Restriction or shipment status are subject to change at any time by Thales. In no event will Thales be liable for any damages whatsoever related to Product availability, shortages or shipment delays in connection with the fulfillment of the Order.

3) PRICES

- a. Prices (including licensing fees) will be as set forth in the applicable Quote or Order Acknowledgment.
- b. Prices do not include freight, insurance costs, shipping handling fees, or taxes (including but not limited to import or export duties, sales, use, value-add, and excise taxes).
- c. Purchaser may not resell any Thales' Products and/or Support Services unless Thales has signed a written agreement authorizing Purchaser to do so. The term "resell" or "resale" shall include any resale, lease, license, sublicense or other transfer or delivery of the Products and/or Support Services. If Purchaser resells Products and/or Support Services in violation of this provision, Thales reserves the right, in addition to all other remedies, to invoice Purchaser for the difference between the price paid by Purchaser for the Products and/or Support Services, and Thales' then standard list prices for resales to End-Users, and Purchaser shall be obligated to pay Thales such amounts upon receipt of such invoice.

4) INVOICE AND PAYMENT

- a. Invoices are payable within thirty (30) days from the date of invoice in the method and currency identified by Thales in the invoice. No discount for early payment is authorized.
- b. Invoices shall be deemed accepted by Purchaser upon receipt, unless Purchaser advises Thales in writing of a material error within ten (10) days after receipt.
- c. Purchaser may not offset, defer or deduct any invoiced amounts that Thales determined are not erroneous following such period.
- d. If Purchaser fails to pay the price or any other amount due and payable hereunder, no right, title or interest in or to the Products shall pass from Thales and Purchaser shall hold the Products on a fiduciary basis as Thales' bailee and accordingly Thales shall have the right to trace any proceeds of sale by Purchaser. Any late payment will bear interest at a rate of one percent (1%) per month, or such other lesser rate as may be required by applicable law. Thales reserves the right to withdraw any credit advanced at any time.
- e. Thales, without waiving other rights or remedies and without liability to Purchaser, may suspend or terminate and refuse additional Orders for Products until overdue amounts are fully paid by Purchaser.

5) TAXES

- a. Purchaser shall be responsible for, and shall pay or reimburse Thales for, all Taxes "Taxes" means all present and future taxes, federal goods and services tax, sales and use or excise taxes, value added taxes, duties, import deposits, assessments, and other governmental charges (including any related penalties and interest), however designated that are now or hereafter imposed by or under any governmental authority or agency. Purchaser shall not be liable for any federal, provincial, municipal or other governmental taxes on income, now or hereafter imposed on the storage, sale, transportation, import or export of the Products. Thales assumes responsibility to timely remit all Tax payments to the appropriate governmental authority in each respective jurisdiction.
- b. All prices mentioned in connection with the Agreement are exclusive of taxes. For tax purposes, all taxes applied on an invoice are based on the ship-to location regardless if anything was shipped. Purchaser shall be responsible for informing Thales of any changes in the primary location of their use of any Product(s) and/or Support Services.
- c. If Purchaser provides a valid resale certificate for a Tax imposed by an applicable taxing authority, then Thales agrees not to invoice or pay any such Tax unless and until the applicable taxing authority assesses such Tax, at which time Thales shall begin taxing the invoice and Purchaser agrees to pay any such Tax that is legally owed.
- d. Thales and Purchaser agree to cooperate to minimize, wherever possible and appropriate, any applicable Taxes, and provide reasonable notice and cooperation in connection with any audit. Each party shall bear its own expenses with respect to any such audit. Purchaser will reimburse Thales for any additional Taxes determined to be due by the

taxing authority.

- e. In the event of an audit both the Purchaser and Thales agree to cooperate to minimize, wherever possible, any applicable taxes. Each party shall bear its own expenses with respect to any such audit. Purchaser will reimburse Thales for any additional Taxes due as determined by the taxing authority.

6) DELIVERY AND ACCEPTANCE

- a. **Hardware.** Unless otherwise agreed by Thales in the Order Acknowledgment, delivery of Products shall be F.C.A. at Thales's facility. Title to the Products, and risk of damage or loss, shall pass to Purchaser upon delivery of the Products at Thales's facility to the carrier for shipment to End-User, as applicable. Acceptance of the Products shall occur upon delivery to the common carrier. Thales will select the carrier of its choice, but in no event will Thales assume any liability in connection with the shipment, nor shall the carrier be considered an agent of Thales. Thales, in its sole discretion, may ship "collect", prepaid or subject to invoice payment terms. Delivery dates specified in any Purchaser documentation, the Order or Order Acknowledgement are estimates only and shall not be binding on Thales, and the time of delivery is not of the essence. Thales shall not have any liability for damages or losses sustained by Purchaser as a result of (i) delivery dates or times not being met; (ii) any delay in delivery of the Products that is caused by a Force Majeure event; or (iii) Purchaser's failure to provide Thales with adequate delivery instructions or any other instructions that are relevant to the supply of the Products. Except as provided herein, Thales shall have no responsibility to store any Products for Purchaser except as may be required during manufacturing or processing. Thales reserves the right to make deliveries of Products in installments, and any delay in delivery, or other default of any installment of any one or more products, shall not relieve Purchaser of its obligation to accept and pay for the remaining deliveries. If delivery is delayed due to Purchaser, Thales may store the Products at Purchaser's risk and issue an invoice for the Product as if it had been delivered.
- b. **Software.** Unless otherwise mutually agreed, Thales shall make available the Software for electronic download by the Purchaser.

7) PRODUCT LICENSE

- a. For purposes of the Agreement, the terms "sale", "sell", "buy" or "purchase" shall be deemed to apply to and include the terms "license" or "provision of a service" as the context so requires and nothing herein shall be deemed to establish or imply that a purchase or sale is a conveyance of the underlying Intellectual Property Rights of the Products or Support Services (or any component, copy, derivative work, upgrade, update, improvement or modification thereof).
- b. License and/or use rights and restrictions are limited to those expressly granted by the applicable EULA or TOS. In the event of a conflict between the terms of these General Terms and Conditions and the terms of the applicable EULA or TOS, the latter shall govern with respect to the subject matter contained therein. License rights specified in the EULA are granted directly to End-Users. Where Purchaser is an Authorized Partner, Purchaser shall provide a copy of the applicable EULA to each End-User with delivery of the Product or prior to installation of the Software or, where applicable, bind each End-User to the terms of the TOS. A breach by Purchaser of any provision of the EULA shall also constitute a breach of the Agreement.

8) INTELLECTUAL PROPERTY AND PROPRIETARY RIGHTS

- a. The Agreement shall not be considered to be a sale of any Intellectual Property Rights or other proprietary interests embodied in the Products, the Documentation, the Support Services or any component thereof (or any copy, derivative work, upgrade, Update, improvement or modification thereof), and nothing herein shall be deemed to establish or imply that the license granted is a conveyance of any underlying Intellectual Property Rights to the Products.
- b. All right, title, and interest in and to the Product, the Documentation, the Support Services and all Intellectual Property Rights arising out of or relating to the Product, in whole and in part, and all copies thereof, are, and shall remain, the sole and exclusive property of Thales, Thales Affiliates, and/or its licensors, except as expressly granted to the Purchaser in the Agreement. Thales hereby reserves all rights not expressly granted to Purchaser.

9) CONFIDENTIALITY

Thales and Purchaser acknowledge that each party may have access to certain of the other party's confidential and proprietary information in connection with the performance of the Agreement (the "Information"). Each party will take all reasonable precautions necessary to safeguard the confidentiality of the other party's Information, including those

taken by such party to protect its own confidential information of a similar nature. Each party will use the other party's Information solely to fulfill the purposes of this Agreement. Neither party will have any confidentiality obligation with respect to any portion of the other party's Information that (i) it independently develops without reference to the Information, (ii) it lawfully obtains from a third party under no obligation of confidentiality or (iii) becomes available to the public other than as a result of its act or omission.

10) LIMITED WARRANTY

- a. **Limited Hardware Warranty.** For a period of one (1) year commencing from the date of original shipment by Thales (as evidenced by Thales packing slip or other receipt) or the date title passes to Purchaser, whichever date is earlier, Thales warrants that the Hardware portion of Product(s), as originally provided by Thales, shall be materially free of defects in material and workmanship under normal use and will materially conform to Thales' published Documentation applicable to the Product purchased. In the event Thales determines that the Hardware fails to comply with the foregoing warranty during the applicable warranty period, Thales's sole obligation, and Purchaser's sole remedy shall be for Thales to replace or repair the Product, or component thereof that does not meet the foregoing limited warranty, free of charge. Any replacement or repaired component will be warranted for the remainder of the original warranty period or 30 days, whichever is longer. For clarity, any Software or firmware pre-installed in the Hardware is subject to the Limited Software Warranty set forth in Section 10(b).
- b. **Limited Software Warranty.** For a period of ninety (90) days from the date Software is made available by Thales for download or otherwise, Thales warrants that such Software, as originally provided by Thales, will perform substantially in accordance with the published Documentation applicable to the Software release purchased, provided that it is used on the computer hardware and with the operating system for which it was designed. In the event Thales determines that the Software fails to comply with the foregoing warranty during the applicable warranty period, Thales's sole obligation, and Purchaser's sole remedy shall be, for Thales to use commercially reasonable efforts to correct such defect in order to make the Software operate as warranted.
- c. **Warranty Claims.** Warranty claims must be made in writing during the warranty period accompanied by evidence of the defect satisfactory to Thales together with any available details that may reasonably assist Thales to reproduce the noncompliance and effect a cure. All returns must comply with Thales' then-current return material authorization ("RMA") policy set forth in the Support Terms. If End-User receives a replacement unit of the Hardware, End-User may retain such Hardware, at Thales' option, in full satisfaction of any replacement remedy provided herein. Thales' obligations under this express warranty are subject to Thales' examination of the Product and Thales' determination to its reasonable satisfaction that the claimed defect or fault actually exists, and is not excluded from this Limited Warranty. If Thales determines that the Product is not defective or faulty within the terms of this Limited Warranty, Purchaser shall be liable for all costs of handling, transportation and repairs at Thales' then prevailing repair rates.
- d. **Conditions to Warranty.** This Limited Warranty is conditioned upon payment of the purchase invoice and proper use of the Product, in accordance with any instructions or manuals provided by or available from Thales. Thales shall have no obligation under this Limited Warranty unless End-User promptly notifies Thales in writing of any failures within the applicable warranty periods. This Limited Warranty extends only to the End-User.
- e. **Warranty Exclusions.** This Limited Warranty shall not apply to Products that have been: (i) improperly installed, modified or repaired by anyone other than Thales; (ii) used in a manner other than as authorized under the Documentation applicable to the Product purchased; (iii) installed, operated or maintained not in accordance with the instructions supplied by Thales, including but not limited to the installation, operation or maintenance of the Products on any hardware, operating system or tools (including their specific configurations) that are not compatible with the Products; (iv) modified, altered or repaired by a party other than Thales or a party authorized by Thales; (v) operated or maintained in unsuitable environmental conditions, or by any other cause external to the Product or otherwise beyond Thales' reasonable control, including any extreme power surge or failure or electromagnetic field, rough handling during transportation, fire or other act of God; (vi) use of the Products with telecommunication interfaces other than those supplied or approved by Thales not meeting or not maintained in accordance with Thales' specifications as described in the Documentation, unless Thales has specifically agreed in writing to include such modifications within the scope of this Agreement; (vii) damaged due to failure of power, air conditioning or humidity control, or failures of storage media not furnished by Thales or for consumable operating supplies or accessories outside the parameters designated in the Documentation or elsewhere, unless specifically included in this Agreement; (viii) subjected to accident, unusual physical, electrical or electromagnetic stress, neglect, or misuse fault or negligence of Purchaser, its employees, agents, contractors or visitors, operator error; or (ix) where the serial numbers, warranty data or quality assurance decals on the Hardware are removed or altered. Thales's warranty does not apply to (i) products manufactured by third parties and resold by Thales without re-marking under Thales's trademarks, (ii) software products that are not developed by Thales, and (iii) consumable items (e.g.

batteries).

- f. THE PRODUCTS ARE BEING DELIVERED TO PURCHASER "AS IS" AND THALES MAKES NO WARRANTY OF ANY KIND, WHETHER STATUTORY, EXPRESS, OR IMPLIED AND HEREBY DISCLAIMS ANY AND ALL WARRANTIES NOT SET FORTH IN THIS SECTION, INCLUDING WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF TITLE, NON-INFRINGEMENT, QUIET ENJOYMENT, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THALES DOES NOT WARRANT THAT THE FUNCTIONS CONTAINED IN THE PRODUCTS WILL MEET ANY REQUIREMENTS OR NEEDS THAT PURCHASER MAY HAVE, OR THAT THE PRODUCTS WILL OPERATE ERROR FREE, OR IN AN UNINTERRUPTED FASHION, OR THAT ANY DEFECTS OR ERRORS WILL BE CORRECTED, OR THAT THE PRODUCTS ARE COMPATIBLE WITH ANY PARTICULAR PLATFORM. SOME JURISDICTIONS DO NOT ALLOW FOR THE WAIVER OR EXCLUSION OF IMPLIED WARRANTIES SO THEY MAY NOT APPLY. IF THIS EXCLUSION IS HELD TO BE UNENFORCEABLE BY A COURT OF COMPETENT JURISDICTION, THEN ALL EXPRESS AND IMPLIED WARRANTIES SHALL BE LIMITED IN DURATION TO A PERIOD OF THIRTY (30) DAYS FROM THE DATE SOFTWARE IS MADE AVAILABLE BY THALES FOR DOWNLOAD OR OTHERWISE OR THIRTY (30) DAYS FROM THE DATE OF DELIVERY OF THE HARDWARE, AS APPLICABLE, AND NO WARRANTIES SHALL APPLY AFTER THAT PERIOD. THALES MAKES NO WARRANTY AS TO THE SECURITY PROVIDED BY ANY PRODUCT. FURTHERMORE, THALES MAKES NO EXPRESS OR IMPLIED WARRANTY WITH RESPECT TO THE PERFORMANCE OF OR RESULTS TO BE OBTAINED FROM ANY PRODUCTS.

11) GENERAL INDEMNIFICATION

- a. Each party shall defend and indemnify the other against any third-party claim for personal bodily injury, including death, to the extent the injury has been caused by the indemnifying party's gross negligence or willful misconduct in connection with the Agreement.
- b. Purchaser shall indemnify, defend and hold Thales and its officers, directors, employees, shareholders and agents harmless from and against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including professional fees and reasonable attorneys' fees, that are incurred by Thales arising out of any third-party claim relating to, arising out of or resulting from, whether based in contract or tort (including strict liability), any: (i) material breach of any of Purchaser's obligations under Sections 9, 14, or 15 of these General Terms and Conditions; (ii) breach by the Purchaser of any of the license terms of any third party software contained in the Product, including, without limitation, any unauthorized or illegal use or distribution of any open source software contained in the Product; (iii) Purchaser's failure to comply with any applicable federal, state, or local laws, regulations, or codes in the performance of its obligations under the Agreement, including without limitation, any export control laws; or (iv) negligent acts or omissions of Purchaser including reckless or willful misconduct in connection with the performance of its obligations under the Agreement. The obligations to indemnify pursuant to this Section shall survive the expiration or termination of the Agreement.

12) LIMITATION OF LIABILITY

EXCEPT FOR CLAIMS WHICH LIABILITY MAY NOT BE EXCLUDED BY LAW, THALES' AGGREGATE LIABILITY IN CONNECTION WITH ANY CLAIMS ARISING OUT OF OR RELATING TO THE AGREEMENT, THE PRODUCTS, OR SUPPORT SERVICES SHALL NOT EXCEED THE LESSER OF: (i) PURCHASER'S ACTUAL DAMAGES OR (ii) THE AMOUNTS PAID BY PURCHASER FOR THE PURCHASE OF THE PRODUCTS OR SUPPORT SERVICES GIVING RISE TO THE CLAIM IN THE TWELVE (12) MONTHS PRIOR TO THE DATE THE CLAIM FIRST AROSE. THIS LIMIT, WHICH INCLUDES ALL COSTS AND FEES ARISING OUT OF ANY SUCH CLAIM, SHALL APPLY TO ANY AND ALL CLAIMS REGARDLESS OF THE LEGAL THEORY ON WHICH THEY ARE BASED.

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT WILL THALES (NOR THALES' LICENSORS) OR ITS AFFILIATES BE LIABLE FOR INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES OF ANY KIND OR TYPE, INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS OR REVENUE, LOSS OF DATA, LOSS OF BUSINESS, LOSS OF OPPORTUNITIES, LOSS OF USE OF THE PRODUCT(S) OR SERVICE(S) OR ANY ASSOCIATED PRODUCT(S) OR SERVICE(S), OR COST OF COVER OR COST OF SUBSTITUTE PRODUCTS WHICH ARISE OUT OF THALES' PERFORMANCE, NON-PERFORMANCE OR FAILURE TO PERFORM ANY OBLIGATION CONTAINED WITHIN THE AGREEMENT OR WITH USE, OR INABILITY TO USE THE PRODUCT, REGARDLESS OF THE LEGAL THEORY ON WHICH THEY ARE BASED, EVEN IF THALES HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

THE FOREGOING LIMITATIONS OF LIABILITY ARE INDEPENDENT OF ANY EXCLUSIVE REMEDIES FOR

BREACH OF WARRANTY SET FORTH IN THE LIMITED WARRANTY AND WILL APPLY EVEN IF THE LIMITED WARRANTY FAILS OF ITS ESSENTIAL PURPOSE. IN ADDITION, THALES WILL HAVE NO LIABILITY TO PURCHASER IF PURCHASER NEGLECTS TO INSTALL WITHIN A REASONABLE TIME PERIOD ANY FAILURE CORRECTION SOFTWARE DELIVERED TO PURCHASER, OR ANY UPDATE OR RELEASE OF THE SOFTWARE MADE GENERALLY AVAILABLE AFTER THE EFFECTIVE DATE THAT WOULD HAVE AVOIDED OR MITIGATED THE CLAIM.

13) PRIVACY NOTICE

- a. Thales' privacy notice applies to any personal data, as defined under applicable data privacy laws, processed by Thales in connection with the Agreement. Thales' privacy notice can be found at <https://www.thalessecurity.com/privacy-policy>. To the extent Purchaser acquires a Software-as-a-Service offering, any offering-specific data privacy or data processing terms will be contained in the applicable TOS for the benefit of the End-User.

14) COMPLIANCE WITH LAWS

- a. Purchaser shall be solely responsible for and shall comply with all applicable laws, ordinances, rules and regulations imposed by any country or subdivision thereof applicable in connection with Purchaser's performance under the Agreement, including but not limited to laws and regulations applicable to: (a) the import and export of the Products or Support Services; (b) the U.S. Foreign Corrupt Practices Act, the UK Bribery Act or any other laws or regulations regarding corruption or bribery; or (c) the use of deceptive or misleading practices.
- b. Purchaser shall obtain any and all permits, licenses, authorizations and/or certificates that may be required in any jurisdiction or by any regulatory or administrative agency in connection with the conduct of its business and the distribution or sale of the Products and Support Services if so authorized.
- c. In addition to any other indemnity under the Agreement, Purchaser shall indemnify and hold Thales harmless from and against any and all claims, damages and liabilities asserted by any person or entity against Thales in connection with any acts or omissions of Purchaser or third parties acting on Purchaser's behalf which constitute a breach of this Section. Purchaser's indemnification under this Section shall include the payment of all reasonable attorneys' fees and other costs incurred by Thales or its affiliates. This provision shall survive any termination or expiration of the Agreement.

15) TRADE COMPLIANCE AND ANTI CORRUPTION/INFLUENCE PEDDLING

- a. In connection with its actions under or related to the Agreement, Purchaser 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 and the European Union (the "EU") and any anti-boycott compliance regulations.
- b. Purchaser shall not sell, export or supply Products or Support Services to individuals who or legal entities that are the subject of U.S., EU or U.K. blocking or asset-freeze measures. This shall apply, without limitation, to individuals who and legal entities that are on the OFAC List of Specially Designated Nationals and Blocked Persons or the EU Consolidated List.
- c. Upon request by Thales, Purchaser agrees to maintain full, true, and accurate records of exports, re-exports, and transfers of Products and Support Services purchased and distributed and any encryption technology information provided by Thales for at least five (5) years following the date of any such export, re-export, or transfer and Purchaser agrees to provide such export related records to Thales upon request by Thales. Upon request by Thales, Purchaser also agrees to sign written assurances and other export-related documents as may be required for Thales to comply with the Export Laws. The obligations set forth in this paragraph shall survive the expiration, cancellation or termination of the Agreement or any other related agreement.
- d. In the event of any governmental law, regulation or action forbidding performance of any obligations of Thales hereunder, or in the event of inability of Thales to obtain any license or governmental action required for the performance of its obligations hereunder, Thales shall be excused from the performance of such obligations without penalty or liability of any kind.
- e. Purchaser shall administer safeguards that are well designed and implemented to prevent and detect violations of Export Laws.

- f. Purchaser 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 in particular French law n° 2016-1691 of 9 December 2016 relating to transparency fight against corruption and modernization of the economy ("Sapin II Law"). Whether directly or through third parties, Purchaser shall not offer or promise any gift or advantage to a person, for himself or for others, with the purpose that this person abuses or because this person would have made illegitimate use of its real or supposed influence in order to obtain distinctions, jobs, contracts or any other favorable decision. Purchaser shall not solicit or accept for itself any offer, promise, gift or advantage of any kind, to make illegitimate use of its influence for the purpose of making or obtaining any favorable decision. Purchaser declares to have implemented a compliance program that meets the requirements of the Sapin II Law, insofar as Purchaser is subject to this requirement.

16) TERM AND TERMINATION

- a. Unless sooner terminated in accordance with other provisions of this Agreement, the Agreement will continue in full force and effect until all rights and duties have been completed, expired or terminated as set forth herein (the "Term").
- b. Either party may terminate the Agreement for default or material breach of the terms or conditions of the Agreement by the other party, upon thirty (30) days' notice and opportunity to cure or ten (10) days following such notice if the breach is a failure by Purchaser to pay any fees required.
- c. Either party may terminate the Agreement if: (i) the other party files or has filed against it a petition for voluntary or involuntary bankruptcy or pursuant to any other insolvency law, or is adjudicated bankrupt; or (ii) makes or seeks to make a general assignment for the benefit of its creditors or applies for, or consents to, the appointment of a trustee, receiver, or custodian for a substantial part of its property.
- d. In the event of termination of the Agreement for a material breach by Purchaser and in addition to all other rights and obligations each party may have under the Agreement, Purchaser shall, within thirty (30) days, ship to Thales or destroy (including purging from any system or storage media) all items in its possession proprietary to Thales. Upon request by Thales, an authorized representative of Purchaser shall certify in writing to Thales that the applicable Products and other Information of Thales have been returned to Thales or destroyed.

Upon expiration or termination of the Agreement for any reason each party shall within thirty (30) days of request from the other party: (i) destroy or return to the other party all documents and tangible materials (and any copies) containing, reflecting, incorporating or based on the other party's Information, (ii) permanently erase all of the other party's Information from its computer systems and (iii) certify in writing to the other party that it has complied with the requirements of this clause. Notwithstanding the foregoing, neither party is required to return or destroy the Information of the other that (i) it is required by law or regulation to retain, but then only for the time period required; (ii) is commingled with other information or documents of a party, if it would pose a substantial administrative burden to return or destroy such Information, or (iii) if the Information is contained in an archived computer system or backup made by a party in accordance with its standard security or disaster recovery procedure; provided in each case that the party remains fully subject to its obligations of confidentiality as set forth in this Agreement until the expiration of the confidentiality obligations.

17) GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the table below, without regard to or application of conflicts of laws principles, and each party irrevocably submits to the specified jurisdiction.

Licensee Country	Thales Contracting Entity	Governing Law	Forum for Disputes
Austria, Germany, Switzerland	THALES DIS CPL DEUTSCHLAND GMBH	German Law	Munich Tribunal
United Kingdom	THALES DIS CPL UK LIMITED	English Law	Courts of London
Rest of the EMEA countries	THALES DIS TECHNOLOGIES BV	English Law	Courts of London
Israel	THALES DIS ISREAL LTD	Laws of England & Wales	Courts of London
Australia & New Zealand	THALES DIS CPL AUSTRALIA PTY LTD	Laws of New South Wales	Courts in Sydney, Australia
Japan	THALES DIS JAPAN KK	Laws of Japan	Courts in Tokyo, Japan
India	SAFENET INDIA PRIVATE LIMITED	Laws of India	Courts in New Delhi, India
United States of America and the Caribbean	Thales DIS CPL USA, Inc.	Laws of Texas (USA)	Courts of Travis County, TX
Brazil	THALES DIS BRASIL CARTÕES E SOLUÇÕES TECNOLÓGICAS LTDA	Laws of Brazil	Courts in São Paulo, Brazil
Canada	THALES DIS CPL CANADA, INC.	Laws of the Province of Ontario	Courts of the Province of Ontario
Mexico & Rest of the LATAM countries (except as noted)	THALES DIS MEXICO SA DE CV	Laws of Mexico	Courts in Mexico City
Hong Kong, China and the rest of Asia (except as noted)	THALES DIS CPL HONG KONG LIMITED	Laws of Hong Kong	Courts in Hong Kong

18) FORCE MAJEURE

Thales shall not be considered in default of performance of its obligations under the Agreement if performance of such obligations is prevented or delayed by any circumstances not within Thales' reasonable control including, but without limitation: acts of God, fire, explosion, flood, storm, terrorist attack, civil war, commotion or riots, war (or threat of war), imposition of sanctions, embargoes or acts of government (including without limitation failure or delay to obtain export licenses), labor disputes, failure or delay of transportation, vendors or subcontractors, Thales' inability to enter Purchaser's premises to fulfill its obligations under the Agreement when applicable, or any other similar cause or causes beyond the reasonable control of Thales. Time of performance of Thales' obligations hereunder shall be extended by the time period reasonably necessary to overcome the effects of such force majeure occurrences.

19) NOTIFICATIONS

All notices, requests and demands, and other communications required or permitted under the Agreement shall be in writing and shall be given: (a) by personal delivery; or (b) by an internationally recognized courier service offering guaranteed overnight delivery. Notice shall be effective upon receipt. All such communications shall be sent to the Purchaser at the address for Purchaser stated in the Order, and in the case of Thales shall be addressed as follows: Thales Attention: VP of Legal - CPL, 9442 Capital of Texas Highway North, Suite 400, Austin, TX 78759 U.S.A., with a copy to legalcontracts.cpl-americas@thalesgroup.com. Either party may change its address for notice purposes stated herein by giving notice in accordance with the provisions of this paragraph.

20) STANDARD PRODUCTS AND SUPPORT SERVICES

All Products shall be Thales' standard Products and Support Services. Unless specifically stated in a separate agreement between Thales and Purchaser, Thales shall have no obligation to create special or customized versions of any Product or Support Service, or to ensure that the Products and/or Support Services operate with Purchaser's equipment, software, or systems. Thales reserves the right, without prior approval from or notice to Purchaser, to make changes to any Product and/or Support Service to meet published Documentation, that do not adversely affect the performance of the Product or Support Service, such that the functionality or performance is less than that specified in the published Documentation; or when required for purposes of safety. Thales also reserves the right to make changes to any Product and/or Support Service without any obligation to make the same changes to Products and/or Support Services previously ordered by or sold to Purchaser.

21) MISCELLANEOUS

- a. **Government End Users.** All software contained in the Products is restricted computer software, as such term is defined in paragraph (a) of Federal Acquisition Regulation 52.227-19, Commercial Computer Software--Restricted Rights. Such software is licensed with "Restricted Rights." Use, duplication or disclosure of such software is subject to restrictions set forth in subparagraphs (c)(1) and (2) of Federal Acquisition Regulation 52.227-19, Commercial Computer Software--Restricted Rights, and its successors, and any comparable restrictions established by state law. Purchaser shall ensure that each copy of the software provided to a unit or agency of the United States Government or any state government will have affixed the following restricted rights legend (including the applicable government contract number): "RESTRICTED RIGHTS LEGEND -- USE, DUPLICATION OR DISCLOSURE OF THIS SOFTWARE BY THE GOVERNMENT IS SUBJECT TO THE RESTRICTIONS AS SET FORTH IN PARAGRAPH (C)(1) AND (2) OF FEDERAL ACQUISITION REGULATION 52.227-19, COMMERCIAL COMPUTER SOFTWARE--RESTRICTED RIGHTS IN ACCORDANCE WITH GOVERNMENT CONTRACT NO. _____, OR ANY COMPARABLE STATE LAW. THE SUPPLIER OF THIS SOFTWARE IS THALES, 900 SOUTH PINE ISLAND ROAD, SUITE 710. PLANTATION, FLORIDA, 33324."
- b. **Assignment.** The Purchaser shall not assign any of its rights or delegate any of its obligations under the Agreement without the prior written consent of Thales, which shall not be unreasonably withheld. Any attempt to assign any rights, duties or obligations, which arise under the Agreement without such permission shall be void. Thales may assign the Agreement and its rights thereunder or delegate its obligations, in whole, or in any part, upon thirty (30) days prior written notice to the Purchaser.
- c. **No Waiver.** Any waiver or forbearance shall be valid only if in writing. No waiver by a party of any default shall operate as a waiver of any other default or of the same default on a future occasion. No delay, course of dealing or omission on the part of one party in exercising any right or remedy shall operate as a waiver thereof, and no single or partial exercise by such party of any right or remedy shall preclude any other or further exercise thereof or the exercise of any other right or remedy.
- d. **Limitation of Time.** No action, regardless of form, which arises from or is related in any way whatsoever to this Agreement, may be commenced more than eighteen (18) months after such cause of action accrues, except that an action for nonpayment may be brought at any time within the governing statute of limitations.
- e. **Severability.** If any provision or provisions of the Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and all the rest of the provisions, terms and conditions or parts thereof contained in this Agreement shall remain in full force and effect, and the invalid, illegal or unenforceable provisions shall be reformed so as to give maximum legal effect to the intentions of the parties as expressed therein.
- f. **Modifications.** Any modifications to the Agreement must be in writing and signed by a proper and duly authorized representative of the party to be bound thereby.
- g. **Non-exclusive remedies.** No remedy conferred by the Agreement is intended to be exclusive of any remedy, except as expressly provided, and each and every remedy shall be cumulative and in addition to every other remedy given under the Agreement or now or in the future existing in law or in equity or by statute or otherwise.
- h. **Right of Third Parties.** The Agreement is not made for the benefit of, nor shall any of its provisions be enforceable by any person other than the parties to the Agreement and their respective successors and permitted assignees.
- h. **Entire Agreement.** The Agreement, including all terms incorporated herein by reference, represents the entire agreement between the parties in relation to the subject matter contained herein and supersedes any previous agreement whether written or oral between the parties in relation to that subject matter. Accordingly, all other conditions, representations and warranties which would otherwise be implied (by law or otherwise) shall not form part of the Agreement. Purchaser irrevocably waives any right it may have to claim damages and/or rescission for: (a) any misrepresentation not contained in this Agreement; or (b) any breach of any warranty or undertaking (other than those contained in this Agreement) whether express or implied, statutory or otherwise; unless such misrepresentation, warranty or undertaking was made fraudulently.