General Purchase Conditions

These terms and conditions shall apply to the purchase order (the "Purchase Order") that refers to them or to which they are attached (the Purchase Order and these terms and conditions are referred to together as this "Agreement"), notwithstanding any different conditions that may be contained on Vendor's quotation or acknowledgement of the Purchase Order. If all of these terms and conditions are not acceptable to Vendor (as such term is defined in the Purchase Order) it must immediately notify the ordering Driventic entity ("Driventic") of its objections in writing within 5 days of receipt hereof; if Vendor fails to so object, it shall be deemed to accept, and hereby waives its right to further object to, these terms and conditions. If there is any conflict between Driventic's Purchase Order and these terms and conditions, the Purchase Order shall prevail. **Acceptance of the Purchase Order includes acceptance of these terms and conditions. Neither the Purchase Order nor these terms and conditions may be modified without Driventic's written consent.** Vendor's commencement of work or shipment of goods shall constitute acceptance of this Agreement. The offer represented by this Agreement shall terminate if not accepted by Vendor within 60days of receipt or if rescinded by Driventic prior to Vendor's acceptance.

1. **PRICES AND PAYMENT TERMS; SECURITY**. The prices on the face of the Purchase Order may not be increased without the prior written approval of Driventic. Unless otherwise provided, the prices include all applicable federal, state and local taxes. Payment terms shall be net 60days after Driventic's receipt of the last to occur of the following: (1) compliant goods or the proper performance of services required under the Purchase Order, (2) complete required documentation or (3) a detailed and correct invoice, unless otherwise agreed to by the parties in writing. A detailed invoice must include, as applicable, purchase order numbers, item numbers, quantities delivered and such other information required by the Purchase Order. Vendor certifies the amounts invoiced hereunder will not exceed the maximum levels established under any applicable government price control program. Any amounts in excess of such maximum levels shall be refunded immediately. Driventic may withhold payment due to: (a) defective, deficient, or nonconforming goods or services provided by Vendor under the Purchase Order or any other order; (b) claims against Driventic or third parties, or reasonable evidence indicating that such claims have been or will be asserted, in any way relating to or arising out of the goods or services provided or to be provided by Vendor under the Purchase Order or any other order; (c) Driventic's reasonable doubt that Vendor can complete the Purchase Order in the time required and for the price stated; (d) damage caused by Vendor or any of its sub-suppliers, sub-vendors, or subcontractors ("Vendor's Subcontractors") under the Purchase Order or any other order; (e) any breach of or default under the Purchase Order or any other order by Vendor; (f) Vendor's failure to provide Driventic any requested documents or information, such as, but not limited to, proof of required insurance, lien/claim waivers, material certifications, welding certificates, safety documentation, warranties, test results, inspection reports, shipping documents, compliance statements, or any other document requested by Driventic at any time in connection with the Purchase Order. At any time, Driventic may require Vendor to provide security satisfactory to Driventic to ensure Vendor's performance of the Purchase Order and Vendor shall immediately comply with all such requirements. Such security may include, but is not limited to, letters of credit, parent company guarantees, and bank guarantees. Driventic may also withhold up to 20% of any invoice, as retention; such retention to be released upon the later to occur of: 30 days after final completion; and, a final release provided by Vendor to Driventic in form and substance acceptable to Driventic. Payment, whether conditional or unconditional, shall not constitute acceptance or approval of any goods or services, or a waiver of claims for defects.

2. **SHIPPING AND PACKAGING**. Shipping terms shall be FCA Vendor's facility, in accordance with INCOTERMS 2020, unless otherwise stated on the face of the Purchase Order. All bills of lading, packing lists and other shipping documents must be provided to Driventic. No charges for cartage, blocking, packing, drayage, demurrage, boxing or crating will be allowed unless agreed to in writing by Driventic. All shipments must be adequately boxed or crated with any special handling instructions clearly marked and the contents protected to prevent damage in transit and, in the case of export shipments, must be waterproofed and packaged to meet all export requirements and standards. Driventic's purchase order number must appear conspicuously on each package, box, crate or other type of container. Packaging must meet any applicable sanitary and phyto-sanitary requirements of the country of destination and transit and be free of infestation by insects, microorganisms, and other pests. Material for two or more Driventic locations must be packaged separately and marked accordingly. Local and warehouse shipments of steel and bar stock shall be marked or tagged in a manner sufficient to permit prompt identification upon receipt. Shipping documents in duplicate and a separate invoice in triplicate for each shipment must be mailed to Driventic. When material is invoiced by Vendor but shipped by another entity, the invoice shall bear the name of the shipper and the point from which shipment originated. All shipments must contain packing lists giving description of material quantity and Purchase Order number. Shipments shall be routed as requested by Driventic.

3. **TERMINATION AND MODIFICATION FOR CONVENIENCE; CHANGES; CLAIMS**. Driventic may terminate or suspend work under this Agreement in whole or in part at any time by giving written notice (including in electronic form) to Vendor of such termination or suspension. In the event of termination, if Vendor is not then in default, Vendor shall immediately stop all work. Driventic shall pay Vendor for actual direct material and labor costs incurred by Vendor up to the time of such termination. In the event of suspension, and if Vendor is not then in default, Vendor shall immediately stop all work. Vendor shall immediately resume such work upon notice from Driventic. At such time of resumption of work, Vendor shall notify Driventic of its actual direct costs incurred as a result of such suspension, and Driventic shall pay Vendor for such costs unless such costs are in the event of a Driventic business interruption or shutdown through no fault of Driventic. In each case, Vendor shall use its best efforts to mitigate the costs incurred. Additionally, Driventic may, at any time, make changes, additions, or subtractions ("change(s)") to the scope of work required under the Purchase Order, which changes may include, but are not limited to, change in drawings, specifications, quantities, delivery or performance schedules, places of delivery or methods of shipment or packaging, or any other change, and Vendor shall comply with such changes. Vendor must assert claims for equitable adjustment of price and delivery or performance schedule within 5 days of receiving notice of a change (or sooner if required by Driventic) or of any event giving rise to a claim for equitable adjustment. If Driventic requires that a change is executed under a particular payment method (*e.g.*, lump sum or cost plus), Vendor shall present its claim for adjustment according to such method and provide Driventic with all substantiating information requested by Driventic. If Vendor fails to so assert its claim within such 5-day (or sooner) period, Vendor waives its right to make such claim. Driventic may, at its option, terminate this Agreement in accordance with this section if the parties cannot agree on an equitable adjustment within a reasonable time. No modifications or terminations of this Agreement may be made without Driventic's written agreement.

4. **TITLE, RISK OF LOSS AND INSPECTION**. Title to any goods covered by this Agreement shall immediately pass to Driventic upon the earlier of (i) delivery or (ii) Driventic's full payment for such goods. Possession of and risk of loss of any goods covered by this Agreement shall pass to Driventic upon delivery at Driventic's designated facility. All work and goods are subject to inspection at the discretion of Driventic and/or its authorized representatives (which may include a third-party inspection company or Driventic's customer). Vendor shall provide reasonable access to its facilities at any time during business hours and shall supply assistance, tools, etc., as may be required to carry out inspection in Vendor's and/or Vendor's Subcontractors' plants. Driventic may require certain testing, at its sole discretion, as a part of the inspections. Except for formal acceptance testing at Vendor's facility or Driventic's designated facility, as determined by Driventic, any inspection or testing performed shall not be deemed to constitute acceptance of the goods or related work, and in any case inspection or testing shall not be deemed to constitute a waiver of any of Vendor's contractual obligations. In case of any deficiency in the goods or services, Driventic may require Vendor to rectify such deficiency at any time by notice to Vendor. Vendor shall rectify the deficiencies at its own cost, upon demand, and without impacting the schedule, all to Driventic's satisfaction. If Vendor fails to do so, Driventic may perform the corrections, or have them corrected on Vendor's behalf at Vendor's cost. Any additional expenses (including, but not limited to, costs for personnel, travel expenses and shipping costs for returned goods) incurred by Driventic, Driventic's customers and/or its representatives due to deficiencies, errors or omissions by Vendor and/or Vendor's Subcontractors and/or any other reason attributable to Vendor and/or Vendor's Subcontractors will be Vendor's

responsibility. The terms of this section shall apply notwithstanding any contradictory Incoterms set forth in this Agreement.

5. **WARRANTY**. Vendor warrants the goods, articles and services furnished hereunder (whether materials, parts or equipment) to be (1) as specified, (2) free and clear of all liens or other security interests and encumbrances, good, valid and marketable title thereto being solely in Vendor, (3) made exclusively of new materials, (4) free of defects of any type (whether in design, material, workmanship or otherwise), (5) of good and merchantable quality and (6) fit for the intended and general purposes for which Driventic is purchasing them. Unless a longer time is set forth on the face of the Purchase Order, such goods or services warranty shall last for the longer of 36 months from the first date of operation of the goods or 48 months from the date of shipment of the goods or completion of the services. If any such goods, articles or services are found to be in breach of any of the foregoing warranties, Vendor shall at its sole cost promptly, at Driventic's option, either (1) replace the goods or articles, DDP named destination of Driventic, in accordance with INCOTERMS 2020, (2) repair the goods or articles or (3) re-perform the services found to be defective. Vendor shall be responsible for all costs arising out of the breach of warranty and repair, replacement or re-performance, including, but not limited to, disassembly, reassembly, transportation, installation, storage, commissioning and re-testing. If Vendor fails to promptly replace or repair the goods or articles or re-perform the services, Driventic may have the articles repaired or replaced or the services re-performed by Driventic or a third party at Vendor's expense. Repaired goods, replaced goods and articles and re-performed services shall be warranted in accordance with the terms of this Agreement. If repair, replacement or re-performance is not possible, Driventic may terminate the Purchase Order and Vendor shall refund Driventic the full purchase price and be liable for all direct and indirect expenses, costs and damages incurred by Driventic. The foregoing and all other, legal, statutory, express and implied warranties that can have application to the goods, articles and services furnished hereunder shall be deemed conditions of this order and the remedies provided in this paragraph shall be cumulative and in addition to any other or further remedies Driventic may have, including under applicable law. The warranties and remedies provided for in this paragraph shall inure to the benefit of Driventic, its successors, assigns and customers and to the users of its products and Driventic's inspection, approval, acceptance of and/or payment for goods, articles or services or any drawings do not relieve Vendor of the warranties provided herein.

6. **INDEMNIFICATION**. Vendor assumes responsibility for and shall indemnify, defend and hold Driventic and Driventic's successors, assigns, customers, affiliates, subsidiaries, shareholders, directors, officers, employees, advisors, representatives and agents harmless from and against any and all claims, demands, suits, judgments, actions, proceedings, liability, losses, damages and expenses including fees, expenses and costs, whether or not involving a third-party claim, that, in whole or in part, is caused by, relates to or arises out of Vendor's performance (or non-performance) of the obligations under this Agreement or the misconduct or negligent act or omission of Vendor or its employees, agents and representatives in connection with or relating to this Agreement and the goods and/or services ordered hereunder.

7. **SOFTWARE; HARDWARE**. Vendor agrees to fully comply with Annex 2 and Annex 3 if providing Software or Hardware as any part of the scope of delivery. In addition to Annex 2 and Annex 3, Vendor shall provide Driventic the right to use any and all software that is part of the scope of delivery, including, without limitation, the documentation for such software. Driventic shall have the right to continue the use of and/or to pass such right to its customers when required to do so by contract. Before the software is shipped or installed on a system of Driventic or its customers, Vendor shall check the software for viruses, Trojans and other computer malware using up-to-date, customary anti-virus programs.

If no software or hardware is being provided to Driventic or Driventic's customers, then Vendor warrants that none is being provided, and agrees to comply with at a minimum, Annex 3, all sections of Part A, and Part B. sections 6-15.

8. **USE OF DRIVENTIC OR DRIVENTIC CUSTOMER'S NAME AND MARKS; PUBLICITY**; **INTELLECTUAL PROPERTY INDEMNIFICATION**. Vendor agrees Driventic's customer's and Driventic's name, trademarks, trade names, distinctive markings and decorative markings are the sole property of Driventic's customer or Driventic, respectively, and shall not be used by Vendor except on goods purchased by Driventic from Vendor. Vendor shall not publicise or advertise its business relationship with Driventic or Driventic's customer, or work performed for Driventic without Driventic's prior written consent. Vendor shall indemnify and hold harmless Driventic and Driventic's successors, assigns, customers, affiliates, subsidiaries, shareholders, directors, officers, employees, advisors, representatives and agents against all losses, damages, liability, claims, demands, suits, judgments, proceedings and actions, whether or not involving a third-party claim, for actual or alleged non-compliance with this section 8., or infringement of any letters patent, trademarks or corresponding rights, because of the sale or use of any goods or articles specified in this Agreement except those which have been specifically and solely designed by Driventic. Vendor shall have the right, with Driventic's assistance if required, to conduct settlement negotiations or the defense of any litigation involving a third party originating from such alleged infringement, and Vendor shall pay all judgments, damages, fees, costs or expenses awarded against or incurred by Driventic. If all or any materials, parts or equipment are alleged or held to infringe a patent and the use thereof is enjoined or Driventic deems the continued use thereof inadvisable, Vendor shall, at its expense, procure for Driventic or Driventic's customer the right to continue the use of such part of the materials, parts or equipment, or replace or modify the same with non-infringing materials, parts or equipment maintaining the original performance characteristics of the materials, parts or equipment.

9. **TOOLS**. If the price charged includes the cost of any tools, designs, patterns, dies, jigs, fixtures, special machines, drawings or the like, acquired for the specific purpose of filling this order, such tools, designs, patterns, dies, jigs, fixtures, special machines, drawings or the like, shall be the property of Driventic. They shall be maintained and insured, at the expense of Vendor, in suitable condition to perform the work and shall, at Vendor's expense, be returned to Driventic or disposed of as Driventic shall direct. No designs, tools, patterns, dies, jigs, fixtures, special machines, drawings or the like supplied by Driventic shall be used for the manufacture of any goods or articles other than the goods or articles and the quantity specified herein without Driventic's consent.

10. **DRIVENTIC MATERIAL**. All material provided by Driventic to Vendor on a "no-charge" basis, if any, including scrap, shall remain the property of Driventic and be fully accounted for. All such material scrapped because of defective workmanship of Vendor or its subcontractors shall be replaced or paid for by Vendor.

11. **DELIVERY**. Vendor shall deliver by the date(s) specified on the Purchase Order. Time is of the essence for all shipments and performance of services under this Agreement. If at any time, Driventic determines that the schedule is not being met or is at risk due to an act, error, or omission of Vendor, or Vendor is not taking reasonable steps to remedy any delays, without prejudice to any other rights or remedies, Driventic may deliver written notice (including in electronic form) to Vendor directing Vendor to accelerate the performance of the order. Vendor shall comply with such directive at its sole cost and expense until performance is back into conformity with the schedule and Purchase Order requirements. If delivery is delayed beyond the specified delivery date, Driventic shall have the right to cancel the unfilled portion of the Purchase Order without obligation to Vendor and Driventic shall have the right to place the unfilled portion of the Purchase Order with another supplier or suppliers, and any resulting costs or consequent increase in cost to Driventic shall be paid by Vendor. Unless otherwise agreed to by Driventic in writing, shipments made more than 30 days early may be rejected and returned by Driventic at Vendor's cost and expense, and Vendor shall remain required to deliver the shipments as required by this Agreement. Such rejection and return of a shipment by Driventic shall not constitute a waiver of any of Driventic's rights, including, without limitation, its rights under this Agreement or applicable laws. Driventic shall not be required to accept delivery of any excess quantities unless otherwise agreed in writing.

12. **QUALITY**. Vendor shall ensure the quality of its, and if applicable, Vendor's Subcontractors', goods and services through the implementation of an adequate quality assurance system, such as ISO 9001, ISO 9002 or substantially similar, completing quality checks and tests required by Driventic and taking such other actions as are appropriate for the goods and services covered by this Agreement. Vendor shall keep records of any and all such quality checks and tests performed and maintain such records for a period of 10years. Driventic shall be entitled to require proof of Vendor's and,

if applicable, Vendor's Subcontractors' quality assurance system as necessary to satisfy Driventic that the quality tests and checks are carried out, including, without limitation, through conducting audits at Vendor's and subcontractors' facilities and of its books and records. Vendor shall immediately inform Driventic of changes in the composition or design of the goods and services covered by this Agreement. Such changes shall require the written consent of Driventic. No audit or inspection by Driventic (nor Driventic's option not to audit or inspect) shall relieve Vendor of any of its responsibilities under the Agreement, including but not limited to its obligations to the quality-assurance (QA)/quality-control (QC) work.

13. **CONFIDENTIAL INFORMATION**. In addition to any signed confidentiality agreement between the parties, and except as may be required by law or court order or as necessary in connection with the operation, repair, maintenance and modification of materials, parts and equipment, Vendor agrees to keep and maintain confidential any and all proprietary information obtained by Vendor from Driventic or in connection with this Agreement, including, without limitation, all information on the face of the Purchase Order and to not make use of such information, without the prior written consent of Driventic, except in connection with this Agreement. Such information shall not be disclosed to any third party without the previous written consent of Driventic.

14. **CORPORATE RESPONSIBILITY; COMPLIANCE WITH LAWS**. Vendor acknowledges it is committed to corporate responsibility and Vendor certifies and represents it shall comply with the requirements of all applicable federal, state and local laws, statutes, rules, regulations and orders, including, without limitation, those concerning privacy and data protection, environmental protection laws, regulations relating to labor law, human rights, employees' health, and child or forced labor in relation to the production and sale of its goods or the provision of its services, and the principles contained in the Driventic Group Code of Conduct, available at **https://www.driventic.com** Driventic expects the Vendor to agree to comply with the rules and principles contained therein and provide assistance to ensure that these are observed. Vendor shall hold Driventic and its successors, assigns, customers, affiliates, subsidiaries, shareholders, directors, officers, employees, shareholders, advisors and agents harmless from and indemnify them for any and all losses and damages, whether or not involving a third-party claim, resulting from Vendor's violation of the provisions of any such laws, statutes, rules, regulations and orders, including, without limitation, those relating to labor, wages, hours and other conditions of employment and laws relating to prices and unfair competition. Upon accepting Driventic's order, Vendor further confirms it shall not commit or tolerate any form of bribery and/or corruption, and Vendor shall comply with all applicable anti-bribery and anti-corruption laws, statues, regulations and codes, including, without limitation, the U.S. Foreign Corrupt Practices Act, the Canada Corruption of Foreign Public Officials Act and the U.K. Bribery Act 2010, and, if applicable, shall ensure Vendor's Subcontractors' comply. Under no circumstances shall Vendor nor Vendor's Subcontractors directly or indirectly pay bribes or kickbacks or provide other personal benefits to any employee or agent of Driventic. Notwithstanding anything herein to the contrary, Vendors are responsible for and hold Driventic harmless for Vendor's Subcontractors' compliance with laws.

15. **EXPORT CONTROL**. If requested by Driventic, Vendor must submit a supplier's declaration to satisfy applicable legal requirements regarding the export of the goods or any other information requested by Driventic, including, but not limited to, country of origin and the export control classification number (ECCN), USMCA Certificate of Origin, or other applicable classification designation of an item. Vendor must inform Driventic of any approvals required or restrictions for the export or re-export of such goods under applicable export or customs laws, rules and regulations. Vendor represents and warrants that iron and steel products listed in Annex XVII of EU Regulation 833/2014 and sold or delivered by Vendor to Driventic or any of its affiliated companies do not incorporate iron and steel products originating in Russia as listed in Annex XVII of EU Regulation 833/2014. Vendor shall obtain all required export licenses or agreements necessary to ship products or perform Vendor's work, as applicable. Vendor shall provide accurate information to Driventic for customs and other import or export clearance purposes. The cost and compliance with all export requirements is Vendor's responsibility. If the above information is not provided or provided incorrectly, in addition to any and all other remedies available to Driventic under these terms or the law, Driventic may terminate the Purchase Order for cause. Vendor shall indemnify Driventic for any and all costs, damages, losses, fines, penalties, and expenses (including legal fees and costs) arising from such information.

16. **SAFETY; PROTECTION OF THE ENVIRONMENT; HAZARDOUS MATERIALS; CONFLICT MINERALS.** Vendor shall ensure its goods and services meet all applicable environmental protection, security, accident prevention and work safety regulations in effect in order to avoid or reduce harmful impacts on individuals and the environment.

Vendor must comply with all applicable laws, rules, regulations, policies, orders or directives on the disposal of waste and recycling material and notify Driventic of any product handling, product storage and disposal requirements that apply to the goods covered by this Agreement.

If applicable, Vendor will provide Driventic with all appropriate Material Safety Data Sheets in English (or such other language as Driventic may request) at the time of delivery of each shipment of goods or services that require such compliance, and updates of the same. Vendor shall in no case supply anything containing asbestos, biocides, or radioactive material, unless Vendor first obtains Driventic's prior written approval, and any additional required instructions or terms from Driventic. If Vendor uses chemicals, PCBs or any potentially hazardous materials, Vendor assumes responsibility for and will indemnify, defend and hold Driventic and its successors, assigns, customers, affiliates, subsidiaries, shareholders, directors, officers, employees, advisors and agents harmless from and against any and all claims, damages, losses, liability and expenses (including legal fees and litigation expenses), whether or not involving a third-party claim, arising out of Vendor's use thereof (including the unloading, discharge, storage, handling or disposal of any chemical or container therefore) and for Vendor's noncompliance with any related laws, rules, regulations, policies, orders or directives.

Vendor shall implement appropriate and good faith measures in its organization and its supply chain to work towards ensuring that the products to be supplied to Driventic do not contain conflict minerals as defined by Sections 1502 and 1504 of the Dodd-Frank Act (as such Act may be amended from time to time), such minerals including, but not limited to, columbite-tantalite (coltan), tin, wolframite, gold, and their derivatives, originating from the Democratic Republic of Congo and its neighboring states.

17. **LIMITATION OF LIABILITY**. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT AND TO THE FULLEST EXTENT ALLOWED UNDER APPLICABLE LAW: (A) DRIVENTIC SHALL NOT BE LIABLE TO VENDOR FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT, CONTINGENT OR INCIDENTAL, EXEMPLARY OR PUNITIVE DAMAGES; LOSS OF PROFIT OR REVENUE; LOSS OF USE OF GOODS OR EQUIPMENT; DAMAGE TO ASSOCIATED GOODS, DATA OR EQUIPMENT; COST OF CAPITAL; OR OTHER TYPES OF ECONOMIC LOSSES, ALL IRRESPECTIVE OF WHETHER SUCH DAMAGES, LOSSES OR COSTS CONSTITUTE DIRECT OR CONSEQUENTIAL DAMAGES AND WHETHER ARISING IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE; AND (B) IN NO EVENT SHALL DRIVENTIC'S AGGREGATE LIABILITY TO VENDOR EXCEED THE PURCHASE PRICE STATED ON THE PURCHASE ORDER.

18. **INSURANCE**. Prior to commencing work, Vendor shall obtain and maintain for the entire duration of the contract insurance coverage that fully meets and is in compliance with Driventic's requirements as set forth on attached nnex 1. Vendor shall provide Driventic with a Certificate of Insurance and endorsements or policy forms in compliance with Driventic's requirements. Vendor shall require its insurance carrier(s) to give Driventic at least 30 days' written notice prior to cancelation or nonrenewal of coverage and waive rights of subrogation against Driventic and its affiliates.

19. **SUBCONTRACTING**. Vendor shall not sublet, subcontract or sub-supply any portion of the Purchase Order without Driventic's prior, written consent, which consent may be withheld, conditioned, revoked, or delayed in Driventic's absolute discretion at any time. Vendor shall remain fully responsible and liable for the acts and omissions of any of Vendor's Subcontractors and of any persons employed by any of them, and Vendor shall not be relieved from any responsibility for the portion of the order that is sublet, subcontracted or sub-supplied. Nothing contained in this Agreement shall create any contractual relationship between Driventic and Vendor's Subcontractors. Vendor shall provide an unpriced copy of all Purchase Orders and contracts for work or articles that are sublet, subcontracted or

sub-supplied. Driventic shall have the right to expedite and inspect all such work and the production of such goods and articles as though they were being performed by Vendor. Vendor's Subcontractors and suppliers of all tiers must obtain written permission from an authorized representative of Driventic prior to mobilization to or demobilization from all Driventic project sites, if applicable.

20. **EXPEDITING**. This Agreement is subject to expediting by Driventic and/or its authorized representative, and expeditors shall be allowed free access to all phases of manufacture and supply, including, without limitation, shipping details. Upon notice, Vendor shall promptly provide Driventic's expeditor with the name of a plant contact, plant reference number, scheduled holidays and shut-down periods, plant capacities and current workload, numbers of Vendor's personnel qualified in various disciplines having to do with execution of this Agreement and any other pertinent information. Driventic's expeditor will monitor the timely preparation of and Vendor's actual adherence to the schedule covering activities in engineering, issuance of drawings and data, material acquisition, fabrication, assembly, inspection, testing and shipping. Notification of readiness for inspection and/or testing shall be given in writing to Driventic. If requested by Driventic, Vendor shall make available at its cost working facilities for a resident expeditor from Driventic, including, but not limited to, office space, telephone, computer, etc.

21. **DEFAULT.** If (1) Vendor becomes insolvent, (2) Vendor files a voluntary petition under any bankruptcy or insolvency law, (3) a petition is filed against Vendor under any bankruptcy or insolvency law, (4) Vendor makes an assignment for the benefit of creditors, (5) Vendor fails to deliver in accordance with this Agreement goods Driventic has paid for, (6) Vendor comes under the controlling influence of a competitor of Driventic; or (7) Vendor breaches any provision of these terms or the Order (each, a default), Driventic shall have the right to: terminate all or any portion of this Agreement for default, require satisfactory assurances of performance, take over all or any portion of the work itself or assign it to a third party at Vendor's cost, withhold all further payments until the work is complete, and/or exercise or demand any and all other rights and remedies available under this Agreement or the law, all such rights and remedies being cumulative and without prejudice to any other right or remedy. Upon a default, Driventic shall retain title to all of Driventic's property and goods Driventic has paid for, and Vendor irrevocably grants Driventic the right to enter and access Vendor's facilities to remove such property and paid-for goods. If a court of competent jurisdiction subsequently determines that Driventic's termination under this section was wrongful or unjustified, then such termination shall be automatically considered a termination for convenience as set forth in Section 3-Termination and Modification for Convenience; Changes; Claims, and Vendor shall have the rights under that provision, but no other rights or claims for damages.

22. **LIENS ON THIRD-PARTY PROPERTY**. This Agreement may involve goods and services that Driventic will resell to one or more third-party customer of Driventic. Vendor is not a third-party beneficiary of any agreements between Driventic and its customers. To the extent permitted by applicable laws, Vendor waives its rights, if any, and shall require any Vendor's Subcontractors to waive their rights, if any, to file, take, or register any security interest, charge, hypothec, mechanics' lien or similar liens ("liens")) against the real or personal property of any and all such third-party customers of Driventic. If Vendor or any Vendor's Subcontractors) files, takes, or registers any such liens, Vendor shall immediately discharge and release such lien and execute releases (including obtaining any such discharge and release from any of Vendor's Subcontractors) promptly upon Driventic's request. If at any time Vendor fails to promptly provide any discharge and release as requested by Driventic, Driventic may hold back payments due from Driventic until Vendor has provided such discharge and release.

23. **GOVERNING LAW**. This order and all matters arising hereunder shall be governed by the laws of the state of Delaware, without regard to conflict of laws provisions. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement and the sale of goods made hereunder.

24. **DISPUTE RESOLUTION**. Any dispute arising under or relating to this Agreement that cannot be resolved within a reasonable amount of time by good faith negotiations shall be finally resolved by binding arbitration. Such arbitration shall be conducted in accordance with the Rules of Arbitration of the International Chamber of Commerce by a single arbitrator appointed pursuant to such rules. The arbitration shall be conducted in the English language and occur in the city where Driventic is located or at such other location as may be agreed to by the parties. The arbitrator's ruling shall be set forth in writing and be final and binding on the parties.

25. **LANGUAGE**. The parties have requested that this Agreement and all documents relating hereto be expressed in the English language. Les parties ont exigé que la présente convention ainsi que tous documents s'y rattachant soient rédigés en anglais.

26. **INVALIDATION AND NON-WAIVER**. In the event that any portion of this Agreement or its terms and conditions are rendered invalid by a court of law, the remainder of the Agreement shall be and remain valid, binding, and fully enforceable. Failure by Driventic to insist upon strict performance of any term of this Agreement shall not constitute a waiver of any of the terms of this Agreement or of any default.

27. **COMMUNICATIONS**. Any notices to be given under this Agreement shall be made in writing and mailed to Driventic or Vendor at the address listed on the Purchase Order. Electronic communications are acceptable and constitute a writing under this Agreement.

28. **CONTRACTOR STATUS**. It is understood and agreed that Vendor shall perform under this Agreement as an independent contractor and not as an agent, representative or employee of Driventic.

29. **ASSIGNMENT**. Neither this Agreement nor any monies due hereunder may be assigned without Driventic's prior written consent.

30. **DOCUMENT RETENTION**. Vendor shall retain, and shall require Vendor's Subcontractors to retain, all project documentation, including but not limited to all records, reports, drawings, results, correspondence, invoices, and notices, for no less than 7 years from the end of the warranty of all goods and services provided under the Purchase Order.

31. **SPARE PARTS.** Vendor shall ensure that spare parts for the goods supplied will be available for a minimum of 10 years after manufacture of the relevant equipment/product model or series has ceased. Vendor shall ensure the drawings and other resources required to produce such spare parts are maintained during the same period. This retention obligation shall lapse upon the expiration of such 10-year period and Vendor's receipt of Driventic's written agreement.

32. **SITE WORK OR INSTALLATION.** The following provisions apply to work performed by Vendor at locations controlled by Driventic or Driventic's customer or end user (the "Site"):

a. Vendor shall maintain on the Site at all times a sufficient work force to carry out its obligations in an efficient and timely manner. Vendor shall employ only competent, skilled, reliable, and honest workers who will work in harmony with other workers on the Site. All persons provided by Vendor shall be deemed Vendor's employees or agents, and Vendor shall comply with all applicable statutes regarding worker compensation, employer liability, minimum wage, unemployment compensation, and/or elderly benefits and all other applicable laws relating to or affecting the employment of labor. Vendor shall follow all Site rules as directed by Driventic, the Site Owner, or appropriate persons. At the Site Owner's or Driventic's instruction, Vendor shall promptly remove from the Site any employee who, in Site Owner's or Driventic's opinion, represents a threat to the safety or progress of the project or persons on the Site, or who has engaged in any improper conduct.

b. Vendor shall secure all materials and the area where its work is performed, and shall leave all areas broom clean (unless a more stringent cleanliness standard is set forth elsewhere in the Agreement) and in a safe condition at the end of each workday and upon completion of the work. The Site Owner or Driventic may remove Vendor's waste at Vendor's expense.

c. If Vendor: (i) fails to supply the proper amount of labor, materials, equipment, supervision, skilled labor, or quantities to meet the requirements of the Agreement; (ii) causes stoppage or delay of or interference with the project or any other work at the Site; (iii) fails to promptly pay its employees or Vendor's Subcontractors, suppliers, or vendors, including but not limited to, any worker compensation, minimum wage, unemployment or other benefits, taxes, or withholdings; or (iv) otherwise fails in the performance or compliance of any of the provisions of the Agreement; then Vendor is in default. Upon any default, Driventic may exercise any remedy available to it under the Order and the law, including but not limited to, terminating the Order under Section 21 above. Driventic may also or instead, after 24 hours' written notice to Vendor, remedy the default on its own, including but not limited to, performing or supplying any portion of the work or materials, take possession of the work and materials, equipment, facilities, and tools of Vendor, and/or require Vendor to work overtime and/or provide additional

labor, or otherwise remedy the default by whatever means Driventic, in its sole and absolute discretion, deems reasonable and appropriate. Vendor shall be liable for any and all cost, damages, penalties, fines, losses, and fees, including but not limited to, attorney fees and costs that Driventic incurs, directly or indirectly, as a result of Driventic's exercise of its remedies in this section.

d. If Vendor or any of its employees, agents, suppliers, or Vendor's Subcontractors utilize any machinery, equipment, tools, scaffolding, hoist lifts, or similar items belonging to Driventic ("Driventic Equipment"), Vendor shall defend, hold harmless, and indemnify Driventic for any loss or damage to Driventic's Equipment and/or which may arise from Vendor's use of Driventic Equipment (including personal injury or death). Vendor accepts any such Driventic Equipment in its as-is, where-is, with all faults condition. Driventic does not provide any warranties, whether express or implied, for Driventic Equipment condition, use, title, design, operation, merchantability or fitness for a particular purpose, all such warranties being expressly disclaimed and denied. Driventic does not warrant that Driventic Equipment is safe to use or is free from defects, latent or otherwise. All risk of use is expressly assumed by Vendor.

33. **HUMAN RIGHTS AND ENVIRONMENTAL REQUIREMENTS**

33.1 In addition to corporate responsibility requirements in section 14, Vendor shall also comply with the following human rights and environmental requirements:

- Prohibition of child labor concerning compliance with the minimum age for admission to employment in accordance with ILO Convention No. 138 and concerning the prohibition of and immediate action for the elimination of the worst forms of child labor in accordance with Art. 3 ILO Convention No. 182;
- Prohibition of the employment of persons in forced labor in accordance with ILO Convention No. 29;
- Prohibition of all forms of slavery, slave-like practices, servitude or oppression in the workplace environment;
- Compliance with applicable occupational health and safety obligations in accordance with law at the place of employment;
- Prohibition of disregard for freedom of association;
- Prohibition of unequal treatment in employment on the basis of national, ethnic origin, social origin, health status, disability, sexual orientation, age, gender, political opinion, religion, belief, unless justified by the requirements of employment;
- Prohibition of withholding a fair wage;
- Prohibition of environmental pollution concerning soil, water, air, harmful noise emission or excessive water consumption;
- Prohibition of unlawful eviction, as well as unlawful deprivation of land, forests and waters in the acquisition, construction or other use of land, forests and waters, the use of which secures the livelihood of a person;
- Prohibition of the hiring or use of private or public security forces for the protection of the entrepreneurial project, which in doing so use torture and cruel, inhuman or degrading treatment, injuring life or limb, or disregarding the freedom of association and union;
- Prohibition of an act or omission in breach of duty going beyond the above-mentioned infringing acts, which is directly capable of impairing a protected legal position in a particularly serious manner and the illegality of which is obvious;
- Prohibition of the production and use of mercury and mercury compounds as well as the treatment of mercury waste in accordance with the provisions of the Minamata Convention (Art. 4 para. 1 and Annex A Part I, Art. 5 para. 2 and Annex B Part I, Art. 11 para. 3);
- Prohibition of the production and use of chemicals and the non-environmentally sound handling, collection, storage and disposal of waste in accordance with the provisions of the applicable legal system under the Stockholm Convention on Persistent Organic Pollutants (23.05.2001, 06.05.2005) and EU Regulation on Persistent Organic Pollutants 2021/277 (Art. 3 para 1a and Annex A, Art. 6 para 1d (i), (ii));
- The following prohibitions under the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (22.03.1989 and 06.05.2014): Prohibition of export of hazardous and other wastes under Art. 1 (1), 2 of the) under Art. 4 (1b), (1c), (5), (8) p.1, Art. 4A, and Art. 36 of Regulation (EC) No. 1013/2006; Prohibition of import of hazardous and other wastes from a non-Party to the Basel Convention (Art. 4 (5)).

33.1.1 In the event, that the human rights and environment-related requirements for Driventic change, Vendor shall agree to an adjustment of this Section 33 that implements the change in the human rights and environment-related requirements. Driventic shall notify Vendor of the changes to the human rights and environment-related requirements in writing or text form without delay.

33.1.2 Vendor shall address the human rights and environmental requirements mentioned in this Section 33 in an appropriate manner vis-à-vis Vendor's Subcontractors and further-more along its own entire supply chain and, in particular, ensure their compliance by Vendor's Subcontractors or, in the event of existing violations of human rights or environmental obligations, their termination by means of suitable contractual provisions. This shall also include, to the extent legally possible and reasonable, serious efforts to enter into an agreement that ensures the passing on of this obligation by Vendor's direct suppliers to Vendor's own suppliers (Vendor's Subcontractors).

33.1.3 Vendor shall carefully select its suppliers, in particular with regard to the human rights and environmental requirements pursuant to this Section 33 and shall adequately investigate any indications of violations of the human rights and environmental requirements and take them into account in the selection of suppliers.

33.2 Driventic has the right to verify compliance with the human rights and environmental requirements mentioned in Section 33 by carrying out on-site inspections at Vendor's site and or its production site (audit right). Driventic may exercise the audit right through its own employees, through a third party commissioned by Driventic (e.g. a lawyer or auditor) or by using recognized certification or audit systems. Driventic will notice Vendor of such audit with reasonable written advance notice, unless there is imminent danger or the notice would endanger, significantly reduce or eliminate the effectiveness of the audit. The audit right shall in principle be exercised during normal business hours at the business or production premises of Vendor. Vendor shall make documents, records, names of Vendor's Subcontractors within the supply chain and as far as known ("Supply Chain Documentation") requested by Driventic available for inspection by Driventic for an appropriate period of time, but at least for 10 working days, ("Audit Period"). At Driventic's request, Vendor shall also make the Supply Chain Documentation available at its own expense in a suitable online data room that complies with current IT security standards for the Audit Period and grant Driventic access from its own business premises. In addition, Vendor will grant Driventic access to its employees and officers, e.g. to enable interviews to be conducted in order to exercise the right to audit. Data protection requirements must be complied with when Driventic exercises the audit right, and the protection of business secrets of Vendor must be taken into account insofar as this does not conflict with the fulfillment of legal obligations by Driventic.

Annex 1: Insurance Requirements

Annex 2: Conditions for Supplies of Software/Hardware and/or OT & E/E Systems incl. Documentation

Annex 3: Conditions for Supplies, Services, Development of Software/Hardware in the Context of IT & OT & E/E Systems incl. Documentation

Annex 1

INSURANCE REQUIREMENTS

The Vendor shall not commence work under this Agreement until the Vendor has obtained all insurance required under this Exhibit A and such insurance has been approved by Driventic, nor shall the Vendor allow any of Vendor's Subcontractors performing work related to this Agreement (each, "Vendor's Subcontractor") to commence work until all similar insurance required of Vendor's Subcontractor has been obtained and approved.

It is hereby agreed and understood that the insurance required by Driventic is primary coverage and that any insurance or self-insurance maintained by Driventic or its affiliates, subsidiaries, shareholders, directors, officers, agents, or employees will not contribute to a loss. All insurance shall be in full force prior to commencing work and remain in force until the entire job is completed and the length of time that is specified, if any, in the Agreement or listed below whichever is longer.

I. INSURANCE REQUIREMENTS FOR VENDOR

A. Commercial General Liability coverage at least as broad as Insurance Services Office Commercial General Liability Form including coverage for Products Liability, Completed Operations, Contractual Liability, and Explosion, Collapse, Underground coverage with the following minimum limits and coverage:

1.	Each Occurrence limit		$2,000,000
2.	Personal and Advertising Injury limit		$2,000,000
3.	General aggregate limit (other than Products–Completed Operations)	**per project**	$2,000,000
4.	Products–Completed Operations aggregate		$2,000,000
5.	Fire Damage limit – any one fire		$ 50,000
6.	Medical Expense limit – any one person		$ 5,000
7.	Products – Completed Operations coverage must be carried for **three years** after completion of work		

B. Automobile Liability coverage at least as broad as Insurance Services Office Business Automobile Form, with minimum limits of $2,000,000 combined single limit per accident for Bodily Injury and Property Damage, provided on a Symbol #1 – "Any Auto" basis.

C. Workers' Compensation and Employers Liability insurance with sufficient limits to meet state requirements. If applicable for the work, coverage must include Maritime (Jones Act) or Longshoremen's and Harbor Workers Act coverage.

D. If Vendor's scope of work includes design, engineering or other professional services, Vendor shall carry Professional Liability (Errors & Omissions) coverage with minimum limits of $2,000,000 per occurrence and $2,000,000 aggregate.

E. Umbrella Liability providing coverage at least as broad as the underlying Commercial General Liability, Automobile Liability and Employers Liability, with a minimum limit of $5,000,000 per occurrence and $5,000,000 aggregate, and a maximum self-insured retention of $10,000.

II. INSURANCE REQUIREMENTS FOR VENDOR'S SUBCONTRACTORS

Each of Vendor's Subcontractors shall be required to obtain Commercial General Liability, Automobile Liability, Workers' Compensation and Employers Liability insurance. This insurance shall be as broad and with the same limits as those required per Vendor requirements contained in Section I above.

III. APPLICABLE TO VENDOR AND VENDOR'S SUBCONTRACTORS

A. Acceptability of Insurers. Insurance is to be placed with insurers who have an *A. M. Best* rating of no less than A- and a Financial Size Category of no less than Class VII, and who are authorized as an admitted insurance company in the state or province in which work is being performed.

B. Driventic and its affiliates, subsidiaries, shareholders, directors, officers, agents and employees shall be named as additional insureds on all Liability policies, excluding Professional Liability, for liability arising out of project work, including ongoing and completed operations coverage equivalent to GC 2010 (07/04) and CG 2037 (07/04).

C. Certificates of Insurance acceptable to Driventic shall be submitted prior to commencement of the work. These certificates shall contain a provision that coverage afforded under the policies will not be canceled or non-renewed until at least 30 days' prior written notice has been given to Driventic.

D. All insurance policies required hereunder shall include waivers of subrogation in favor of Driventic and its affiliates, subsidiaries, shareholders, directors, officers, agents and employees.

Annex 2: Conditions for Supplies of Software/ Hardware and/or OT & E/E Systems incl. Documentation

Driventic General Purchase Conditions, in their current version, are supplemented by the following terms and conditions, which apply to all supplies of Software/Hardware and/or OT & E/E systems solutions including documentation relating to information technology (IT)/operational technology (OT).

These terms and conditions apply additionally and, in the event of contradictions, shall take precedence over the Driventic General Purchase Conditions.

DEFINITIONS

Information Technology (IT)	Information technology (IT) involves the development, maintenance, and use of computer systems, software, and networks for the processing and distribution of data;
Operational Technology (OT)	Operational Technology (OT) is hardware and software that detects or causes a change, through the direct monitoring and/or control of industrial equipment, machinery, assets, processes and events;
E/E Systems	Electrical and Electronic Systems
Customer Data	means all information and data (including texts, documents drawings, diagrams, images or sounds) owned by, licensed to (other than by Vendor) or relating to the Customer and/or any of its representatives whether in a human form or machine readable form, which is in each case generated by, supplied to, or is otherwise retained by, Vendor or Vendor's Subcontractors pursuant to or in connection with this terms and conditions;
Security Incident	an event involving the actual or attempted unauthorised access to and/or use of the Systems containing the Customer Data and/or the unauthorised access to, use of, destruction, loss or alteration of the Customer Data in connection with this terms and conditions; such incidents may be categorised as a Critical Security Incident, Major Security Incident or Low Priority Security Incident.
Critical Security Incident	a Security Incident that results in a severe disruption to the work delivered;
Major Security Incident	a Security Incident that results in a reduction in the performance of the delivered work or may lead to a disclosure of the Customer Data or any data used by the Customer or the Vendor in connection with this terms and conditions in the public domain;
Low Priority Security Incident	a Security Incident that has no significant impact on the availability or performance of the delivered work;
Information Asset	any Information System/IT System that holds information belonging to an organisation
Information System / IT System	an Information System is any combination of information technology, processes, digital information and user activities that support the operations of an organisation;
Security Threat	is a possible danger that might exploit a Security Vulnerability to cause a Security Incident that may result in harm;
Security Vulnerability	is a weakness of an Information System that can be exploited by one or more Security Threats;
Risk Assessment	a Risk Assessment is the process of (a) identifying the risks related to an Information Asset and recognised Security Threats, and (b) evaluating the overall effect of the likelihood that the risks will occur and the impact if they should occur;
Security Risk	A Security Risk is the likelihood that something bad will happen that causes harm to an Information Asset;
Security Risk Assessment	a determination of quantitative or qualitative value of risk related to a concrete situation and a recognised threat to the security of the Customer Data and/or the systems;
Vulnerability Assessment	a Security Risk Assessment that leads to the identification, quantification and prioritisation (or ranking) of the vulnerabilities in a computer system, including the associated networks, databases and software applications;
Affiliated Companies	any entity that is to be considered as affiliate of the Customer within the terms of sections 15 et seq AktG (the German Act on Corporations). Further, Customer can define further entities as being Affiliated Companies of Customer in an amendment agreement;
Customer Group	shall mean Customer together with its Affiliated Companies, Driventic, and/or Driventic's customer;

1 Open-Source-Software

Open Source Software ("OSS") is software, which is generally provided free of charge and open source and can be used under a license, which does not restrict redistribution of the software, allows modifications and derived works and must allow redistribution thereof under the same terms as the license of the original software ("OSS-License"). OSS-Licenses include without limitation "Berkeley Software Distribution License" (BSD), "GNU General Public License" (GPL), and the "GNU Lesser General Public License" (LGPL). Copyright Licenses are licenses that require that any derivative work or work based on the program is distributed or conveyed only under the original license terms ("Copyright License").

1.1 Requirements

OSS may be included in the software provided by the Vendor. The Vendor will provide to the Customer all information and materials on the use of OSS in the software. This includes:
(i) a transparent and complete list of all components licensed under an OSS-License,
(ii) the license text of each OSS-License,
(iii) copyright notices,
(iv) the results of a state of the art security and vulnerability monitoring of all open source code used, and
(v) A clear description and documentation regarding the used OSS components.

The Customer will grant the approval in its sole discretion. A granted approval is to be revoked, if the provided information or materials are false or incomplete.
OSS-License texts and the respective source code must be provided separately. The Vendor will provide all open source code to the extent that this is required by applicable licenses.
The Vendor will put the Customer in a position to completely comply with all requirements under the applicable OSS-Licenses at all times.
These requirements also apply to any updates, patches, upgrades or new versions of the software.

1.2 Responsibility

The Vendor is aware of its special responsibility to protect the Customer from damage caused by the integration of OSS software in the software supplied by the Vendor and the use of such software by the Customer. In view of this, the Vendor shall take special care that all rights of 3rd parties are proven and guaranteed.

1.3 Indemnification

The Vendor shall indemnify, defend, and hold harmless the Customer and Customer's affiliates, employees, directors or agents of any claims, damages, expenses and liability which arise in direct or indirect connection of Vendor's breach of one of the foregoing requirements of obligations, irrespective under what legal theory.

2 Software Development Lifecycle

For supplies that includes software development, the Vendor shall establish a Secure Software Development process.
(i) adopt a Secure Software Development Lifecycle approach according to well known standards, such as IEC 62443 4-1. A certification is expected.
(ii) provide evidence that identified security requirements and corresponding security controls are designed and implemented into the software.
(iii) ensure that appropriate security tests including but not limited to static and dynamic code checks and continuous vulnerability assessment are applied in the development and integration pipelines and any issues uncovered are remediated before software release; and
(iv) allow Customer and/or its agents to carry out Vulnerability Assessments of the developed software. If any vulnerability with a risk score of "high" or "critical" is found by the Customer, the Vendor shall take action to mitigate the risks before the software release.

3 Vulnerability Management

(i) The Vendor will engage an independent and trusted Vulnerability Assessment service and/or cooperate and assist an independent third party appointed by the Customer in the conduct of Vulnerability Assessments.
(ii) The Vendor shall on a monthly basis, review the Vendor's sources of threat and vulnerability information for the latest vulnerabilities, threats and remediation relevant to the systems under the Vendor's management.
(iii) The Vendor shall implement a remediation plan of mitigation activities once a vulnerability is identified or to prevent a vulnerability from arising, and for prioritising, tracking and monitoring the plan's progress. All remediation plans shall be documented for future reference. Vulnerabilities with a significant security impact shall be remedied as soon as practicably possible. For lower and medium risks, the timescale for remediation shall take into account the cost, time and effort required to mitigate the risks.
(iv) The Vendor shall notify the Customer immediately if it fails to remedy any Critical or High rated Vulnerability and shall propose the Customer necessary security controls.
(v) The Vendor shall ensure that all customizable products contain a documentation for secure parametrization.
(vi) Activities as part of the Vendor's Vulnerability Management, like Vulnerability Assessments, regardless of type or target, and all work and time required to carry out remediation activities, will be at the cost of the Vendor and will not be charged to the Customer.

4 Security Governance

(i) The Vendor will appoint an individual (the "Supplier Security Manager"), to:
- coordinate and manage all aspects of security in accordance with the Agreement; and
- act as the single point of contact on behalf of the Vendor and Vendor's Subcontractors in the event of a Security Incident.

(ii) In the event that the Vendor wishes to change the Supplier Security Manager it will notify the Customer in writing, providing contact details for the replacement individual.

Annex 3: Conditions for Supplies, Services, Development of Software/Hardware in the Context of IT & OT & E/E Systems incl. Documentation

Driventic General Purchase Conditions, in their current version, are supplemented by the following terms and conditions, which apply to all supplies and services relating to information technology (IT)/operational technology (OT) (Part A) and the creation or adaptation of software or the rendering of associated services (Part B).

These terms and conditions apply additionally and, in the event of contradictions, shall take precedence over the Driventic General Purchase Conditions.

DEFINITIONS

Information Technology (IT)	Information technology (IT) involves the development, maintenance, and use of computer systems, software, and networks for the processing and distribution of data;
Operational Technology (OT)	Operational Technology (OT) is hardware and software that detects or causes a change, through the direct monitoring and/or control of industrial equipment, machinery, assets, processes and events;
E/E Systems	Electrical and Electronic Systems
Customer Data	means all information and data (including texts, documents drawings, diagrams, images or sounds) owned by, licensed to (other than by Vendor) or relating to the Customer and/or any of its representatives whether in a human form or machine readable form, which is in each case generated by, supplied to, or is otherwise retained by, Vendor or any of Vendor's Subcontractors pursuant to or in connection with this terms and conditions;
Security Incident	an event involving the actual or attempted unauthorised access to and/or use of the Systems containing the Customer Data and/or the unauthorised access to, use of, destruction, loss or alteration of the Customer Data in connection with this terms and conditions; such incidents may be categorised as a Critical Security Incident, Major Security Incident or Low Priority Security Incident.
Critical Security Incident	a Security Incident that results in a severe disruption to the work delivered;
Major Security Incident	a Security Incident that results in a reduction in the performance of the delivered work or may lead to a disclosure of the Customer Data or any data used by the Customer or the Vendor in connection with this terms and conditions in the public domain;
Low Priority Security Incident	a Security Incident that has no significant impact on the availability or performance of the delivered work;
Personal Data	shall have the same meaning as set out in the General Data Protection Regulation 2016/679;
Information Asset	any Information System/IT System that holds information belonging to an organisation
Information System / IT System	an Information System is any combination of information technology, processes, digital information and user activities that support the operations of an organisation;
Security Threat	is a possible danger that might exploit a Security Vulnerability to cause a Security Incident that may result in harm;
Security Vulnerability	is a weakness of an Information System that can be exploited by one or more Security Threats;
Risk Assessment	a Risk Assessment is the process of (a) identifying the risks related to an Information Asset and recognised Security Threats, and (b) evaluating the overall effect of the likelihood that the risks will occur and the impact if they should occur;
Security Risk	A Security Risk is the likelihood that something bad will happen that causes harm to an Information Asset;
Security Risk Assessment	a determination of quantitative or qualitative value of risk related to a concrete situation and a recognised threat to the security of the Customer Data and/or the systems;
Vulnerability Assessment	a Security Risk Assessment that leads to the identification, quantification and prioritisation (or ranking) of the vulnerabilities in a computer system, including the associated networks, databases and software applications;
Affiliated Companies	any entity that is to be considered as affiliate of the Customer within the terms of sections 15 et seq AktG (the German Act on Corporations). Further, Customer can define further entities as being Affiliated Companies of Customer in an amendment agreement;
Customer Group	shall mean Customer together with its Affiliated Companies, Driventic, and/or Driventic's customer;

Part A - Conditions for Supplies and Services in the Context of IT/OT & E/E Systems at the Vendor

1. Compliance and basic technical requirements

The Vendor shall render the service in compliance with the principles of proper data processing. These include but are not limited to observance of statutory data protection regulations and implementation of all recognized state-of-the-art precautions and measures.

The Vendor shall take appropriate technical and organizational measures to guarantee a high level of IT security with regard to the services and the IT systems required by the Vendor for the purpose of rendering such services. Insofar as they are applicable to the services and the IT Systems used by the Vendor to provide such services, the Vendor shall ensure compliance with the minimum standards of ISO/IEC 27001:2013 (or any subsequent version of such standards which may have appeared at a later time) or the latest applicable versions of other similar but higher standards of security, such as BSI (Bundesamt für Sicherheit in der Informationstechnik) IT-Grundschutz. The Vendor shall disclose such measures in detail with the corresponding concepts, certificates and audit reports at the request of the Customer.

2. Training and awareness raising in the context of information security

The Vendor shall regularly inform their employees and third parties entrusted with the rendering of the services about relevant information security topics, including the duties which are incumbent on them in connection with the rendering of the services to guarantee information security.

3. Protection of the Customer's data against misuse and loss

The Vendor hereby undertakes to secure all the Customer's information and data received or generated by it immediately, effectively and in compliance with the state-of-the-art against unauthorized access, modification, destruction or loss, prohibited transmission, other prohibited processing and any other misuse. In securing the Customer's data, the Vendor must take all state-of-the-art precautions and measures to ensure that data can be archived and restored at any time without loss. If during the continued performance of the provision of Services the state of the art with regard to security measures changes, Vendor shall undertake to all measures to secure all Customer Group's information and data according to the new state of the art.

4. Ownership of Customer's data

Customer and its Affiliated Companies possess and retain all right, title and interest in and to their data and Vendor's possession thereof is solely on Customer's and/or Customers Affiliate's behalf.

5. Protection when sending information

Any data which is sent, either physically or electronically, in the context of the supplies and services must be transmitted by means (e.g. registered post, courier, email encryption) which are appropriate to the degree of sensitivity of such data.

6. Protection against malware

The Vendor shall use state-of-the-art test and analysis procedures to examine all services and data carriers or electronically (e.g. via email or data transfer) transmitted services to ensure that they are not compromised by malware (e.g. trojans, viruses, spyware) before such services are provided or used. Data carriers on which malware is detected may not be used. The Vendor shall inform the Customer immediately if it discovers that the Customer is compromised by malware. The same obligations apply to all forms of electronic communication.

7. Transparency in services and processes

Services may not contain any undocumented mechanisms or functions which may compromise their security. Data may only be transmitted automatically to the Vendor or to third parties with the Customer's explicit written consent.

8. Communication in the event of defects or errors in the services provided

The Vendor shall inform the Customer immediately if it discovers defects or errors in the services provided to the Customer which may compromise the Customer's operations or security.

9. Handling of hardware, software, means of access and access data provided to the Vendor

All hardware, software, means of access and access data which the Customer provides to the Vendor shall be used in compliance with the Customer's terms of use. The Vendor shall keep all access data and means of access provided to it secret and take state-of-the-art measures to protect them against unauthorized access and use by third parties. If hardware, software, means of access and access data provided to the Vendor for the purpose of rendering the services are no longer required, they shall be promptly returned to the Customer. If the return of the software, means of access and access data provided is not possible, the Vendor shall delete or uninstall the software, access data and means of access provided to it but not without having contacted Customer and asking for approval of deletion/unistallment. Afterwards, Vendor shall confirm deletion / uninstallment to Customer in writing. The Vendor may only use its own hardware and software with or on the Customer's systems and networks in connection with the rendering of a service if this has been permitted in advance by the Customer.

Part B - Terms and Conditions for the Provision of Developed Software/Hardware and/or OT & E/E Systems solutions including Documentation

1. Principle obligation of the Vendor

The Vendor's principal obligation is to provide as part of the service contract software that is ready to use in accordance with the specifications and functions set out in the software specifications provided, the corresponding documentation (such as the user manual) and, if no other contractual agreement is made, the source code, in each case

in accordance with the current program and update status (hereinafter called the "**Contractual Service**").
The Vendor shall maintain and safeguard the operational readiness of the software, where this is agreed in accordance with a service level agreement that is to be agreed separately or as part of the agreement on software support and/or software maintenance.
The Vendor shall fulfill the contract in person. Performance of the service by a third party shall be excluded, unless the Customer agrees to the involvement of a third party in the course of prior written notification.
Once the Contractual Service has been completed, the Vendor shall notify the Customer of this in writing or text form and agree a date on which to present the results of the work. The Vendor shall give the Customer an opportunity to carry out functional tests before acceptance of the Contractual Service. The parties shall reach a mutual agreement on the details of these tests.
All acceptances must follow a formal procedure. A report to be signed by both parties shall be produced for the acceptance. If the Contractual Service is not ready for acceptance, the Vendor undertakes to rectify the defects immediately and present the service to the Customer again for acceptance.

2. Rights of use

2.1 Ownership and the Customer's exclusive rights of use
Ownership of all results and interim results of services provided by the Vendor with regard to the development of software/hardware and/or OT & E/E Systems as part of the contract, e.g. performance descriptions, specifications, studies, concepts, documentation, including installation, usage and operating manuals as well as documentation on maintenance, the source code and further development, reports, consultancy documents, charts, diagrams, images and bespoke software, programs, adapted software (customizing) and parameterization as well as all interim results, aids and/or other performance results produced in the course of this (together: "**Work Results**") shall pass to the Customer when these objects are handed over, providing they are physical objects.
In other respects, the Vendor grants the Customer exclusive, permanent, irrevocable, sub-licensable and transferrable rights to the Work Results when these are created but at the latest when they are handed over. The operation of the software may be carried out for the Customer and its Affiliated Companies by one of these companies.
The Customer may - in addition to its own use - provide the software to its Affiliated Companies for their own use in accordance with the provisions of the agreements entered into and may use the software for these companies. This right of use is temporary; it ends six calendar months after the point in time at which the Customer and the using company are no longer affiliated with each other.
The Customer may have the operation of the software carried out by a third company (e.g. as outsourcing or hosting). The Customer shall inform the Vendor of this in writing in advance and shall submit the third party's declaration to the Vendor at the latter's request that the software will be kept secret and used exclusively for the purposes of the Customer and its Affiliated Companies.
Outside the scope of warranty rights, the Customer may hand over the software to third parties for the purpose of rectifying errors. It may provide the software, including the written documents, to third parties for the training of the employees of the Customer and its Affiliated Companies.
These rights shall be unlimited in respect of the geographical area, time and content and have no limitation in respect of the use and exploitation.
These usage rights shall include all types of use, in particular the storage, loading, execution and processing of data, processing in any way, including error correction, also by third parties, including permanent combination with the Vendor's services, the right to reproduce and disseminate, the right of performance and presentation, including in public, the right to market, make changes, convert, translate, make additions to and develop further. The usage right shall also include future novel usage forms. With regard to novel usage forms, the Vendor shall indemnify the Customer against any claims of the authors pursuant to Sections 31a (2), 32a UrhG (German Copyright Act).
The Customer may make backup copies in accordance with a use in accordance with the respective state-of-the-art.
The Customer may print out and copy the user manual and other information and also make them available to the Affiliated Companies.
The Customer shall be entitled to grant both free-of-charge and paid-for sublicenses and further usage rights to these usage rights and to transfer usage rights to third parties, without requiring further permission from the Vendor.
The Vendor shall ensure that those he brings in to fulfill the contract for him will waive the following rights: to be named as authors, and to have access to any original copies of software or other work such as documentation, drawings and other Work Results that may be protected by copyright.
2.2 The Customer's non-exclusive usage rights
The Vendor hereby grants the Customer and its Affiliated Companies a non-exclusive, irrevocable, permanent right to use works, other copyright material and other un-protected technical knowledge ("Know-how") that the Vendor had already developed or used before the start of the contract and Know-how, standard software and development tools (together called "**the Vendor's Intellectual Property**") acquired by the Vendor and his vicarious agents the course of providing the service, independently of the Contractual Service. These rights shall not be limited to a specific geographical area, they shall be transferable, sub-licensable usage rights that are covered by the agreed compensation, providing this is necessary for the Customer and its Affiliated Companies to use the Work Results provided by the Vendor, without further consent being required on the part of the Vendor. This also includes the reproduction, editing and modification of the Vendor's Intellectual Property by the Customer and its Affiliated Companies or third parties,
providing that this is required to use the Work Results.
This right of use of the Affiliated Companies is temporary; it ends six calendar months after the point in time at which the Customer and the using company are no longer affiliated with each other.
2.3 Usage rights for customizing services
Where the Vendor has customized his own software or the software of third parties for the Customer, he shall grant the Customer and its Affiliated Companies usage rights to this in accordance with item 2.1.
2.4 Duty to notify
Before the end of the contract the Vendor shall give the Customer written notification of all third-party software, standard software, development tools and other works (such as all documentation required for the further development and processing of the Vendor's performance results) to be used in the context of developing the Work Results, including materials that the Vendor uses under license. These, including the Vendor's rights, are to be listed in the contract. Unless agreed to the contrary in the contract, the Vendor shall grant the Customer the usage rights to third-party software, standard software, development tools and other works in accordance with Item 2.2.
2.5 Coauthors
Where the Vendor's employees or vicarious agents are coauthors, the Vendor warrants that he has acquired from them the right to grant usage and exploitation rights set out in Items 2.1 and 2.2 above.
2.6 Rights to inventions
Where Work Results contain inventive achievements, if the invention has been made by an employee, the Vendor undertakes to claim it in good time and transfer the invention to the Customer. The Customer is free to make the decision whether to register inventions for worldwide intellectual property rights in his name or the name of a third party designated by him. The Vendor undertakes to make any declarations and provide signatures to obtain, maintain and defend inventions. No special remuneration shall be provided for this.
2.7 Granting of rights for updates and supplementary performance
Updates, upgrades, additions, new versions and similar as well as the updated documentation in each case (together called "Updates") provided to the Customer by the Vendor shall also be subject to the provisions of this agreement.
2.8 Continued application
In case usage rights are permanently acquired and provided all agreed remuneration has been paid, the usage rights granted shall not be affected by withdrawal from the contract, its termination or ending in any other way.

3. Defects and performance disruptions

The Vendor shall take special care to ensure that the Contractual Service is free from third party rights that limit or exclude the use in accordance with the contractually defined scope and that claims by third parties that the rights of use to be granted to the Customer infringe the rights of this third party can be warded off. They shall document their own procurement processes with the greatest accuracy, ensure a secure transfer of rights by drafting contracts with their employees, select Vendor's Subcontractors with the greatest possible care, follow up any suspicion of a defect of title immediately and intensively. Should a third party assert such claims, the Vendor shall, upon notification of the Customer that their rights of use are being attacked by a third party, make this information and their expertise available to the Customer without restriction in order to clarify the facts and defend against the alleged claims. If possible, the Vendor shall conclude agreements with Vendor's Subcontractors which enable and ensure comprehensive fulfilment of these obligations. In the event of a legal dispute with the third party, the Vendor shall provide evidence in the correct form according to the respective type of proceedings (e.g. as an affirmation in lieu of an oath or as original documents).
The Vendor also shall take special care to ensure that the Contractual Service meets the Customer´s special requirements, the specified or agreed technical or other specifications and is suitable for the planned use that is consistent with the agreed performance requirements.
Any deviation of the Contractual Service from the agreed quality shall always be deemed to be a quality defect. The same shall apply if the Contractual Service is not suitable for the use set out in the contract.
The documentation is deemed to be defective if a knowledgeable user with the level of knowledge usually expected to use the software cannot, by applying reasonable effort with the help of the documentation, operate individual functions or resolve the problems that occur.
The Vendor acknowledges that the smooth interaction between the Contractual Services and the current programs but at least those intended for the purpose of the contract is of utmost importance for the Customer in order to ensure the functioning of Customer's business operations and that Customer has commissioned the Vendor with the provision of Contractual Services and thus does everything they can to ensure that the Contractual Services can be operated free of malfunctions using the Contractual Service on the basis of industrial standards. The Vendor furthermore acknowledges that compliance of the Contractual Service with the current statutory requirements at the time of acceptance is of utmost importance to the Customer and shall take special care to ensure that such compliance is given.
The limitation period for quality defects shall be two years from acceptance of the Contractual Service. The statute of limitations for defects of title shall be two years and commence at the end of the calendar year in which the claim arises and the Customer became aware of the defect of title (in particular infringement of an intellectual property right) and the entitled party received the information or should have done so unless gross negligence was involved. A defect notification by the Customer suspends the statute of limitations. The Customer shall inform the Vendor without delay of any defects that occur up to the time the statute of limitation applies. If required and after consultation, the
Customer shall be involved as required in analyzing and rectifying the defect.
3.1 Supplementary performance

The Vendor shall rectify defects immediately and within an appropriate period during the warranty period, taking account of the Customer's interests, and either deliver an improved version of the Contractual Service or provide the Contractual Service from new. If use in accordance with the contract causes an impairment of the rights of third parties, the Vendor shall either modify the Contractual Service so that it does not infringe the protected rights or obtain authorization so that the Contractual Service can be used in accordance with the contract without any limitation and without additional cost for the Customer. The provision of a replacement solution or a workaround can be used as a short-term measure to provide a temporary solution or to bypass the effects of a defect. The defect is not deemed to be rectified until it has been fully resolved within a reasonable period of time.

If the Vendor fails to rectify the defect immediately and if the Customer suffers an unreasonably high disadvantage in relation to the Vendor's disadvantage due to the failure to remedy the defect immediately, the Customer shall be entitled to remedy the defect himself, to have it remedied or to procure a replacement at the Vendor's expense. The costs to be reimbursed by the Vendor shall not be disproportionate and shall be limited to the amount which the Vendor would have incurred if it had rectified the defect itself within the rectification period to which it is entitled. Further legal or contractual claims remain reserved.

3.2 Reduction in the price, withdrawal

If the Vendor refuses to rectify the defect or is unsuccessful in doing so or if the additional period allowed to the Vendor passes without a resolution being found, the Customer may choose whether to reduce the remuneration or withdraw from the contract in full or in part unless it has remedied the defect himself subject to Item 3.1.

3.3 Withholding of payment and offsetting payments

If the Vendor does not meet his obligations, the Customer may hold back payment for the Contractual Services until the Vendor has fulfilled his obligations in full. The Customer may deduct his claims against the Vendor from remuneration due to the Vendor on account of the Vendor's failure to comply with his obligations.

3.4 Reimbursement of expenses, compensation

More extensive claims, including in relation to compensation and re-imbursement of expenses, shall not be affected.

4. Open-Source-Software

Open Source Software ("OSS") is software, which is generally provided free of charge and open source and can be used under a license, which does not restrict redistribution of the software, allows modifications and derived works and must allow redistribution thereof under the same terms as the license of the original software ("OSS-License"). OSS-Licenses include without limitation "Berkeley Software Distribution License" (BSD), "GNU General Public License" (GPL), and the "GNU Lesser General Public License" (LGPL). Copyright Licenses are licenses that require that any derivative work or work based on the program is distributed or conveyed only under the original license terms ("Copyright License").

4.1 Requirements

OSS may only be included in the software provided by the Vendor with prior written approval by the Customer. The Vendor will provide to the Customer all information and materials necessary for deciding on the use of OSS in the software. This includes:

(i) a transparent and complete list of all components licensed under an OSS-License,

(ii) the license text of each OSS-License,

(iii) copyright notices,

(iv) the results of a state of the art security and vulnerability scan of all open source code used, and

(v) A clear description and documentation regarding the technical integration of the OSS components.

The Customer will grant the approval in its sole discretion. A granted approval is to be revoked, if the provided information or materials are false or incomplete.

OSS-License texts and the respective source code must be provided separately. The Vendor will provide all open source code to the extent that this is required by applicable licenses.

The Vendor will put the Customer in a position to completely comply with all requirements under the applicable OSS-Licenses at all times.

This requirements also apply to any updates, patches, upgrades or new versions of the software.

4.2 Responsibility

The Vendor is aware of its special responsibility to protect the Customer from damage caused by the integration of OSS software in the software supplied by the Vendor and the use of such software by the Customer. In view of this, the Vendor shall take special care that it:

(i) complies at all times with the license requirements of applicable OSS-Licenses and that the Customer has received all necessary licenses from the authors of the OSS incorporated in the software,

(ii) has an Open Source Compliance System in place that is an accordance with best practices of the industry,

(iii) uses only OSS components that are licensed under compatible OSS-Licenses,

(iv) has not incorporated any Copyright License in the software,

(v) has scanned all open source code used in the software for security risks.

4.3 Indemnification

The Vendor shall indemnify, defend, and hold harmless the Customer and Customer's affiliates, employees, directors or agents of any claims, damages, expenses and liability which arise in direct or indirect connection of Vendor's breach of one of the foregoing requirements of obligations, irrespective under what legal theory.

5. Software Development Lifecycle

For work that includes software development, the Vendor shall:

(i) adopt a Secure Software Development Lifecycle approach according to well known standards, such as IEC 62443 4-1. A certification is expected.

(ii) provide evidence that identified security requirements and corresponding security controls are designed and implemented into the software.

(iii) ensure that appropriate security tests including but not limited to static and dynamic code checks and continuous vulnerability assessment are applied in the development and integration pipelines and any issues uncovered are remediated before software release; and

(iv) allow Customer and/or its agents to carry out Vulnerability Assessments of the developed software. If any vulnerability with a risk score of "high" or "critical" is found by the Customer, the Vendor shall take action to mitigate the risks before the software release.

6. Vulnerability Management

(i) The Vendor will engage an independent and trusted Vulnerability Assessment service and/or cooperate and assist an independent third party appointed by the Customer in the conduct of Vulnerability Assessments.

(ii) The Vendor shall on a monthly basis, review the Vendor's sources of threat and vulnerability information for the latest vulnerabilities, threats and remediation relevant to the systems under the Vendor's management.

(iv) The Vendor shall conduct both network level and application level Vulnerability Assessments to identify controls that may be missing or not effective to protect a target from potential threats.

(v) The Vendor shall implement a remediation plan of mitigation activities once a vulnerability is identified or to prevent a vulnerability from arising, and for prioritising, tracking and monitoring the plan's progress. All remediation plans shall be documented for future reference. Vulnerabilities with a significant security impact shall be remedied as soon as practicably possible in agreement with the Customer. For lower and medium risks, the timescale for remediation shall take into account the cost, time and effort required to mitigate the risks.

(vi) The Vendor shall retest all vulnerabilities post remediation activities, to confirm that the risks have been mitigated to acceptable levels as defined by the Customer.

(vii) The Vendor shall promptly provide the Customer with the following:

- the reports (in original format) of the results and recommendations of the Vulnerability Assessments provided by the independent Vulnerability Assessment service providers; and
- the Vendor's remediation plans to remediate identified vulnerabilities.

(viii) The Vendor shall notify the Customer immediately if it fails to remedy any Critical or High rated Vulnerability and shall propose and agree with the Customer necessary security controls.

(ix) The Vendor shall ensure that all applications, middleware, back-end software, Systems and networks are built and configured securely by default. As part of standard build deployment, technology components will have configuration settings used in accordance with sources of authoritative security recommendations such as those provided by product Vendors (e.g. Siemens, Microsoft) or industry groups (e.g. ISO, IEC, CIS, NIST, SANS, OWASP).

(x) Vulnerability Assessments, regardless of type or target, and all work and time required to carry out remediation activities, will be at the cost of the Vendor and will not be charged to the Customer.

7. Security Governance

(i) The Vendor will appoint an individual (the "Supplier Security Manager"), to:

- coordinate and manage all aspects of security in accordance with the Agreement; and
- act as the single point of contact on behalf of the Vendor and Vendor's Subcontractors in the event of a Security Incident.

(ii) In the event that the Vendor wishes to change the Supplier Security Manager it will notify the Customer in writing, providing contact details for the replacement individual.

(iii) If the Vendor has any questions in relation to any aspect of IT Security or the implementation of the requirements in this Schedule, it will consult with the Customer.

8. Risk Management

(i) Upon reasonable request of the Customer, for the cases when the Vendor has interaction with the Customer's IT system, the Vendor will assist the Customer with a Security Risk Assessment of the work, which may be carried out at any time during common business hours.

(ii) In the event that any issues identified from a Security Risk Assessment are rated High or Critical, the Vendor will provide all reasonable assistance to the Customer in the analysis of the risks and identification of appropriate controls to be implemented by Vendor to protect the Customer's Data or Service managed or possessed by the Suppler in accordance with the requirements detailed in this document.

(iii) In the event that the Vendor intends to make any material change to its provision of work, or the Customer requests any material change to the work, the Vendor will perform a Security Risk Assessment.

(iv) The Vendor will ensure that any risks identified in a Security Risk Assessment are promptly remediated, monitored and managed until their closure. The Vendor shall keep the Customer informed of remediation activities for all risks identified during the Security Risk Assessment.

9. Personnel Security

(i) The Vendor will ensure that any Vendor or Vendor Personnel with access to the Customer Data have been vetted and screened in accordance with this agreement and/or as directed by the Customer.

(ii) The Vendor and Vendor's Subcontractors shall ensure that all Vendor Personnel receive any required training and are aware of their responsibilities regarding the security provisions in this agreement.

(iii) The Vendor shall implement and maintain appropriate controls to reduce the risks of human error, theft, fraud or misuse of facilities by the Vendor Personnel.

10. Data Center Security

(i) The Vendor shall implement and maintain appropriate physical and environmental security controls to prevent unauthorised access, damage and interference to any Data

Centres containing Customer Data or any information utilised in the provision of the work.
(ii) The Vendor shall ensure that all Data Centres are certified to ISO 27001 (or any standard which replaces or supplements ISO 27001).
(iii) The Vendor shall give the Customer reasonable prior written notice of any proposed change by Vendor of any procedures or policies applicable to a Data Centre which might reasonably be expected to increase the risk to the security and Integrity of any Customer Data.

11. Access Control

(i) The Vendor shall ensure appropriate access control mechanisms are employed to verify and authenticate all users (or entities), whether from the Vendor, a third party or the Customer, before access is granted to the work.
(ii) All users (or entities) which access or request access to the work will be provisioned, managed and authorised as part of a defined access management process.
(iii) The Vendor shall use an authentication method supporting a minimum of a user ID and password combination, where the user IDs and passwords are unique, not reassigned and not shared by a group of users. In the case of administrative accounts, the Vendor shall require an additional factor for authentication.
(iv) The Vendor shall require all users transitioning from a lower to a higher privilege or sensitive level of access to re-authenticate.
(v) The Vendor shall use appropriate controls to protect passwords and other access credentials in storage and when transmitted. The Vendor shall not transmit or store passwords in clear text and not visibly display passwords on the Systems when logging in.
(vi) The Vendor shall not hard code user IDs and passwords in scripts or clear text files such as in shell scripts, batch configuration files and connection strings.

12. Network Security

(i) The Vendor shall manage the transmission of the Customer Data in a network environment under the direct control of the Vendor (or Vendor's Subcontractors). The network shall be managed and protected from external threats, including but not limited to access control at the physical, network and application levels to allow only those who have legitimately been authorised by the Vendor to have access to the Customer Data. The network shall be segregated to deny access from public or untrusted networks, including networks belonging to third parties with whom the Vendor have not agreed a contract with clauses equivalent to the clauses in this terms and conditions and a separate data processing agreement (DPA).
(ii) The Vendor shall ensure the Systems are updated with the latest and relevant security software and pre-tested and authorised security software patches and fixes from other Vendor-provided Systems regularly and in a timely manner. The Vendor shall conduct Vulnerability Assessments to assess the configuration and software patch status of the systems on a monthly basis.
(iii) The Vendor shall ensure that all Customer network connections to the Vendor's network transporting any Customer Data classified "CONFIDENTIAL" over an untrusted network, such as the internet, is via an encrypted network link in compliance with the Customer Security Policies or published standards such as ISO or NIST.
(iv) The Vendor shall ensure auditable events are generated, including but not limited to security specific events, all successful and failed access attempts on the network, and will maintain a log of all changes to the security configurations of the network.
(v) The Vendor shall establish, implement and manage procedures and a Security Information and Event Management (SIEM) system to monitor the security of the network for suspected intrusion or unauthorised access.
(vi) The Vendor shall ensure that the process and controls used to perform security monitoring will be implemented in such a manner as to maintain the Integrity, confidentiality and availability of collected security monitoring related events.
(vii) The Vendor shall maintain segregation of any development and test environments from production environments. Any live Customer Data containing Personal Data shall be made anonymous (i.e. converted into a form which does not identify individuals or enable data to be rebuilt to facilitate identification) before they are used for testing and have explicit written approval from the Customer.
(viii) Where a Vendor's system or network is connecting to the Customer network, the Vendor system or network must comply with Customer Security Policies.

13. Vendor's Subcontractors and Third parties

(i) When engaging a subcontractor, the Vendor shall procure that the Vendor's Subcontractors agree to the same terms and conditions as contained in this document in respect of IT/OT & E/E Systems Security for the direct benefit of the Customer and enter into a separate data processing agreement (DPA), if necessary, whereas it principally deems necessary, if Customer and Vendor have entered into a data processing agreement (DPA).
(ii) Upon request from the Customer, the Vendor shall verify and provide a written report in detail on Vendor's Subcontractors' compliance with the security obligations required of Vendor's Subcontractors in accordance with this terms and conditions document.
(iii) Where the Vendor engages a third party for the purposes of delivering the work to the Customer, the Vendor will:

a) authenticate all third party systems using technology and processes to enforce non-repudiation;
b) implement controls to protect the Vendor's network from unauthorised access between:
1) the third party network and the Vendor's network;
2) the third party network and any internet access points; and
3) the third party network and other third party networks connected to the Vendor's network;
c) restrict all inbound and outbound connections to or from third party networks to specific hosts, ports and work on these hosts to the minimum required to meet the needs of the Customer;
d) communicate all changes to the scope of work, including firewall rule changes, to the Customer if requested;
e) maintain a list of all individuals who have access to the Vendor's network and review the list on a monthly basis;
f) log all successful and failed third party access and make them available for review by the Customer when required;
g) immediately notify the Customer of any security breaches, including actual or suspected unauthorised access to or compromise of any system, and take such remedial actions in accordance with this terms and conditions; and
h) review all third party network connections on an annual basis or when there is a change to the connections and access control requirements and terminate any obsolete or un-required third party connections.

(iv) The Vendor shall be responsible for any breach of duty on the part of Vendor's Subcontractors to the same extent as it is responsible for its own breach of duty.

14. Security Incident Management

(i) The Vendor shall at all times monitor and verify that all access to the Customer Data is authorised and to check for any Security Incidents.
(ii) In the event of a Critical Security Incident or Major Security Incident, as determined by the Customer, the Vendor shall:

a) notify the Customer no later than four hours after the Security Incident (including, where necessary, escalating such notification);
b) respond immediately and in an appropriate manner to such incident in accordance with the Security Service Levels and the procedure set out in the Security Incident Response Plan; and
c) provide immediate assistance to the Customer and/or Customer's representatives into the investigation and retain all documentation relating to any such investigations.

(iii) The Vendor shall not disclose the details of a Security Incident or weakness to third parties without written authorisation from the Customer.
(iv) The Vendor shall collect and secure evidence in the investigation of a Security Incident using forensics procedures, ensuring a chain of custody and, where necessary, compliance to regulatory requirements.
(v) The Vendor shall classify all reports of Security Incidents as "CONFIDENTIAL" in accordance with the Customer Data Classification Policy and ensure that appropriate controls are applied to protect this information.
(vi) The Vendor shall, in the event of a Security Incident, provide reports on Security Incidents. Such reports shall include, but shall not be limited to:

a) the source and destination of the event as well as the time, date and type of event;
b) a weighting of criticality (Low Priority, Major or Critical Security Incident);
c) a Root Cause Analysis report in respect of each security incident; and
d) an individual reference number to be tracked.

(vii) Following a Security Incident, or as requested by the Customer, the Vendor shall initiate corrective action to minimise and prevent future Security Incidents relating to the scope of work.
(viii) The Vendor shall invoke backup and recovery procedures in response to Security Incidents that result in lost or damaged information.

15. Security Audits

(i) Vendor shall grant access (during Vendor's regular working hours) to the Customer and/or any external auditors appointed by the Customer, to the premises and/or records of the Vendor for the purposes of:

a) reviewing the Integrity, confidentiality and security of the Customer Data and/or the scope of work;
b) ensuring that the Vendor is complying with this terms and conditions; or
c) carrying out a Vulnerability Assessment of any of the systems containing Customer Data.

(ii) Customer shall be entitled to conduct an audit in accordance with paragraph (i) once in any calendar year during the term of the Agreement, provided that the Customer shall be entitled to conduct an audit at any time if it reasonably suspects Vendor to be in material breach of this terms and conditions.
(iii) In the event of an investigation into suspected fraudulent or criminal activity relating to IT/OT & E/E Systems Security and/or the provision of the work by the Vendor or any of Vendor's Subcontractors, the Vendor shall provide to the Customer, any statutory or regulatory auditors of the Customer, and their respective authorised agents, prompt access to the premises and records of the Vendor for the purposes of conducting an audit and Vendor shall render all necessary assistance to the conduct of such investigation at all times during the period of the Agreement or any time thereafter.
(iv) Each party shall bear its own costs and expenses incurred in exercising its rights or complying with its obligations.
(v) The Vendor shall, and will procure that Vendor's Subcontractors shall, provide the Customer (and/or its agents or representatives) with the following:

a) all information requested by the Customer within the permitted scope of any audit;
b) access to any sites or Data Centres controlled by the Vendor in which any
c) equipment owned by the Customer is used in the performance of the work for the purposes of an audit;
d) access to records held in the Vendor information systems for the purposes of an audit; and
e) access to Vendor and Vendor Personnel for the purposes of an audit.