

COMPLIANCE

Herein after reseller/distributor/customer/partner/buyer (Collectively referred to as 'parties' or individually as 'party') and Novateur Electrical & Digital Systems Private Limited (hereinafter referred to as 'Novateur')

1. EMBARGO CLAUSE

Party acknowledges that the purchased Products licensed or sold under this Agreement, which may include technology, are subject to the Customs and export control laws and regulations of India and regulations on embargoes, sanctions of an economic, commercial or financial nature, and other restrictive measures specified by France and the United States/United Kingdom/European Union/United Nations (US/UK/EU/UN) and may also be subject to the Customs and export laws and regulations of the country in which the products are manufactured and/or received("embargoes",) and to obtain all licences, shipping documents and authorisations required for the resale, export or re-export of Novateur products.

For any authorized resale under this Agreement, party acknowledges that it is his sole responsibility to comply with those laws and regulations and agrees to fully abide by those laws and regulations and to take confirmation from its distributor/ reseller/customer/partner to the same effect and Novateur shall not be responsible in case any laws, restrictions/embargos/sanction list imposed by US/UK/EU/UN is contravened. Further, under those laws, the Products shipped pursuant to this agreement shall not be sold, leased or otherwise transferred to restricted endusers (including those on US/UK/ UN/ EU embargo/ sanctions list, the U.S. Department of Commerce, Bureau of Industry and Security "Entity List" and other lists of denied parties or to restricted countries. In addition, the shipped Products shall not be sold, leased or otherwise transferred to, or utilized by an end-user engaged in activities related to weapons of mass destruction, including without limitation, activities related to the design, development, production or use of nuclear weapons, materials, or facilities, missiles or the support of missile projects, and chemical or biological weapons. In addition, Reseller/distributor/customer agrees to indemnify, defend and hold 'Novateur' harmless from any loss, expense, penalty or claim against 'Novateur' due to his violation or alleged violation of any such applicable laws and regulations. If purchased Products are resold in violation of the foregoing restrictions, 'Novateur' shall not be obligated to provide any warranty service or technical support and also all the future business relations and associations of Novateur with the party shall be cancelled or terminated or terminate the relevant agreement, in all events, without creating any liability whatsoever with regard to the buyer or end user.

Accordingly, the party undertakes not to:

- Export or re-export the products covered by this Agreement, to a banned country, or one which is subject to restrictions, without having obtained all necessary authorisations from French, European or American authorities or those of any other country that imposes export control;
- Supply the products covered by this Agreement, to parties, organisations or entities subject to restrictions by France, the European Union or any other country, nor to parties, organisations or entities about which there are reasons to believe that they fail to fully comply with the applicable national or international regulations;
- Export or re-export the products covered by this Agreement, for the purpose of using them in sectors that are banned or subject to restrictions by virtue of laws and regulations on embargoes;
- Issue or collect any financial flows without having previously notified and/or obtained the necessary authorisations from the competent national authorities.

Novateur and its group/associates/parent Companies shall be entitled to audit the party's compliance with obligations relating to these matters. The party shall, in the framework of its sound business relationship with Novateur, supply on request all licences, notifications or authorisations applied for and obtained, and information on the identity of customers to whom Novateur products are resold, the intended use of Novateur products and the financial institutions used to collect and issue payments. In turn, Novateur shall supply on request any information requested by the party, in particular any useful commercial documentation.

In the event of the party breaching any one of its obligations in the audit framework, and failing to remedy this or take positive actions for the purpose of remedying such default within three business days subsequently to receiving written notice to perform the one or several obligations, Novateur reserves the right to cancel the order or terminate the relevant agreement, in all events, without such action creating any liability whatsoever with regard to the buyer or end user.

When the delivery of products, services or documentation requires an export or import permit from certain authorities, or is banned due to legislation on

export/import controls, Novateur shall even be entitled to cancel the order, or terminate the relevant agreement, in all events, without creating any liability whatsoever with regard to the buyer or end user.”

2. PREVENTION OF CORRUPTION AND FAIR COMPETITION

1. The Party undertakes to comply with all applicable national and international laws and regulations relating to the prevention of corruption and fair competition.
2. The Novateur and its group/associates/parent Companies and their internal and external auditors shall be entitled to audit the party’s compliance with obligations relating to these matters. In case of non compliance of above referred matters, the Novateur shall have right to cancel the order, or terminate the relevant agreement, in all events, without creating any liability whatsoever with regard to the buyer or end user.”

3. CONFLICT OF INTEREST

The Party hereby declares that it and/or its employees and subcontractors or any individuals or companies which it may select or recommend for Novateur:

- a. neither Party nor any of its employee(s) or subcontractor(s) has/have a conflict of interest in the context of this contract. A conflict of interest may arise, in particular, from economic interests, political affinities, family or emotional attachments or any other common shared relationships or interests;
- b. Party will inform Novateur’s purchasing department promptly of any situation that might constitute a conflict of interest or that is likely to lead to a conflict of interest;
- c. Party has not made and undertake not to make any offer, of any kind whatsoever, from which an undue advantage may be derived in regard to this contract;
- d. has not directly or indirectly consented, solicited, sought to obtain or accepted any financial or other advantage in favour of or from any person whomsoever, constituting an illegal practice or amounting to bribery and corruption, directly or indirectly, as an incentive or a reward connected to the award of the said contract.

Novateur may request any information or document enabling this statement to be verified. "

4. COMPLIANCES OF LAW

Party shall ensure the compliances under various legislations that are enacted from time to time, rules framed thereunder and guidelines issued by the Government or any other concerned authority.

That in the event of any liability arising out of failure to observe or non-compliance of any such laws by the Party in discharge of its obligations under this agreement, the Party shall bear all the resultant liability (ies) whatsoever, if any arising out thereof and that the Novateur and its management shall not be liable for any such liability (ies).

5. INTELLECTUAL PROPERTY RIGHTS

- a) Party acknowledges and agrees that all intellectual property including but not limited to trademarks, copyrights and any other rights of a like nature is the exclusive property of the Novateur and nothing in this agreement shall be taken to represent an assignment, license or grant of other rights in or under such intellectual property rights.
- b) In the event that the Party becomes aware of any actual or suspected infringement or misuse of Novateur's intellectual property, or an attack on its validity, the Party shall promptly notify the Novateur and provide it with all the details thereof in its possession.
- c) The Novateur shall be entitled at its discretion to take such action to seek an abetment of such infringement or to defend such attack on validity, as it sees fit, which may include the institution or defence of proceedings against the infringer or attacker. The Party shall provide such assistance as may be reasonably require in the prosecution or defense of any such proceedings.
- d) Any catalogue instructions, books/circulars or advertisement delivered to Party of the Novateur shall be the property of the Novateur.