1 GENERAL

1.1 These General Sales Terms and Conditions shall apply to products and related services (hereafter jointly the “Products”) manufactured and/or provided by Gemalto Smart Cards Pvt. Ltd., a company incorporated under the laws of India (hereafter “GEMALTO”) to a customer (hereafter the “Buyer”). Any proposal or form of proposal howsoever (hereafter the “Proposal”) made by GEMALTO to the Buyer for its Products shall be governed by these General Sales Terms and Conditions which, unless expressly otherwise agreed in writing, shall prevail in the event of a discrepancy with any other written or oral agreement between GEMALTO and the Buyer.

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

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

1.4 The Proposal may be subject to alteration and withdrawal by written notice of GEMALTO to the Buyer at any time until a contract arising therefrom (hereafter the “Contract”) has been executed in writing by the Buyer’s and GEMALTO’s duly empowered representatives.

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

1.6 The Contract shall consist exclusively of:
   * An agreement signed by both parties and/or the Order and its Order Acceptance agreed upon by both parties, including, as the case may be, any complementary specific and/or special conditions of sale; and
   * These General Sales Terms and Conditions, which form an integral part of the Contract.

   In the event of a discrepancy between the Order Acceptance and these General Sales Terms and Conditions, the Order Acceptance shall prevail and determine the terms of the Contract.

1.7 The Contract constitutes the entire agreement between the parties with respect to its subject matter and supersedes all prior agreements and understandings (whether oral, in writing or any other form) between the parties. The Buyer acknowledges that it has not relied on any statement, promise or representation made or given by or on behalf of GEMALTO which is not set out in the Contract.

2. DOCUMENTATION

2.1 The weight, dimensions, size, performance and other specifications of the Products provided for in the technical or commercial documentation (hereafter the “Documentation”) of GEMALTO are of an indicative nature only and are not contractually binding unless expressly indicated so by GEMALTO in the Order Acceptance and/or provided in the Contract.

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

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

3. TERMS OF SALE

3.1 Unless otherwise expressly stated in the Proposal, the minimum quantity of any Order shall be of two hundred (200) Products (or 5,000 units in case of cards) or the minimum price for a batch of any given Product to be delivered under any Order or Contract shall be fifty thousand (50,000) INR.

3.2 Unless otherwise agreed in writing, all sales of the Products between the parties are deemed concluded "FCA" GEMALTO’s premises as further specified in the Order Acceptance and / or the Contract.

3.3 The term “FCA” or any other term used to define the terms of sale provided for in the Contract shall be interpreted in accordance with the INCOTERMS® 2010 published by the International Chamber of Commerce.
4. DELIVERY

4.1 Except in the event of provisions to the contrary included in the Order Acceptance and/or the Contract or otherwise agreed in writing, the delivery schedule shall be calculated from the last of the following dates:
  - Receipt by GEMALTO of all the information and data necessary for the fulfillment of the Order; or
  - Receipt by GEMALTO of a payment for the Order.

4.2 Prior to delivery, the Products will be preserved, packaged or crated in accordance with GEMALTO’s usual standards.

4.3 Products shall be deemed accepted by the Buyer upon delivery to the Buyer and the Products delivered in accordance with an Order are definitively transferred and may not be either returned or exchanged except in the event of a provision to the contrary.

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

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

4.6 Should the delivery of the Products or any part thereof be postponed either at Buyer’s request or for any reason not attributable to GEMALTO, GEMALTO shall be entitled to store the Products or any part thereof at Buyer’s risks and expenses. The date of storage shall be deemed to be the date of delivery. In such a case, GEMALTO shall issue and sign a warehouse certificate discharging GEMALTO of all liabilities incurred in connection with such storage.

5. TRANSFER OF RISKS AND TITLE

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

5.2 Title to the Products shall vest in the Buyer from the time GEMALTO receives full payment for the Products.

6. PRICE

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

6.2 The prices hereunder set forth are quoted in Indian Rupee (INR), which will be the invoicing and payment currency, unless otherwise agreed by the parties.

6.3 All prices of Products and/or parts thereof to be delivered by GEMALTO under the Contract are to be understood "FCA", as further specified in the Order Acceptance and/or the Contract, according to the INCOTERMS® 2010.

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

7. INVOICING AND PAYMENT

7.1 Unless otherwise required by the applicable laws and regulations, a separate invoice in GEMALTO format shall be issued for each shipment.

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

7.3 In the event Buyer fails to make any payment on the due date then, without prejudice to any other right or remedy available to GEMALTO, GEMALTO may, without limitation: (i) postpone the fulfillment of its own obligations until full payment of the sums due for the principal; (ii) charge Buyer interest at 18% p.a. on the amount unpaid, calculated from the time the payment is due until payment is made in full (a part of a month being treated as a full month for the purpose of calculating interest); (iii)
terminate the Contract upon expiry of a seven calendar (7) day written notice of GEMALTO to the Buyer which has remained without effect.

7.4 Time for payment shall be of the essence. In the event of a payment delay by the Buyer, GEMALTO may also require for any new delivery (regardless of the conditions that may have been agreed), payment prior to shipment or suspend or cancel any pending Contract or Order without incurring any liabilities whatsoever.

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

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

7.7 The Buyer shall make all payments due under the Contract in full without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise, unless the Buyer has a valid court order requiring an amount equal to such deduction to be paid by GEMALTO to the Buyer.

8. PRE-DELIVERY ACCEPTANCE TESTING

8.1 If the parties agree to carry out a pre-delivery acceptance testing on a Product and a pre-delivery acceptance testing procedure is provided for in the Contract, an acceptance testing shall be carried out, at the premises of GEMALTO, within a maximum period of fifteen (15) calendar days from the date of issuance of the written notice for pre-delivery acceptance testing sent by GEMALTO. Any pre-delivery acceptance testing will be at the expense of the Buyer and performed in accordance with the GEMALTO standard testing procedures then in force.

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

9. WARRANTY

9.1 GEMALTO hereby warrants the Products to be free from defects in materials and workmanship under normal use and service for a period of twelve (12) months from the date of delivery. The Buyer shall notify GEMALTO of the defects in writing within seven (7) calendar days after the defects are discovered, and the notice shall thoroughly describe the conditions under which the defect has arisen in order to facilitate the diagnostic of the defect. GEMALTO will make arrangements with the Buyer for the Products to be evaluated. If the evaluation reveals a defect in the Products, the defects of the Products returned by the Buyer will be made good at GEMALTO’s expense by repair or replacement at GEMALTO’s option. The property of the defective Products shall pass to GEMALTO upon delivery of the replacement. Should a replaced part no longer be available, it will be replaced with a part that most closely matches it.

9.2 Transportation and insurance costs for defective parts returned to GEMALTO shall be at the Buyer's charge. Transportation and insurance costs for parts replaced or repaired by GEMALTO shall be at GEMALTO's charge. For the Products which have been replaced or repaired by GEMALTO hereunder, the warranty provided by GEMALTO shall continue for the remainder of the 12-month period provided above.

9.3 The Products are provided “as is” and GEMALTO’s warranty hereunder is strictly limited to the repair or replacement of defective parts. The above warranty shall apply only in as much as the Products have been used and maintained in compliance with GEMALTO’s instructions for use.

9.4 This warranty shall not apply to consumable and extendible items (such as but not limited to batteries, fuses) and to defects arising from or connected with Buyer’s failure to operate or maintain the Products in accordance with GEMALTO’s specifications and documentation and generally with standard practices of product operations and shall not be applicable to defects arising from or connected with: (i) any combination of the Products with equipment, material, products or systems not furnished, not approved or not specifically recommended by GEMALTO; or (ii) any modification of the Products performed by others but GEMALTO; or (iii) any accident, vandalism, negligence or handling errors causing damage to the Products; or (iv) normal wear and tear; or (v) defective installation, maintenance or storage; or (vi) technical maintenance or interventions on the Products other than those deemed necessary by GEMALTO.

9.5 For Products resold as is and components that GEMALTO purchases from suppliers, GEMALTO’s warranty is strictly limited to the terms granted to GEMALTO by its suppliers.

9.6 GEMALTO does not and shall not warrant that the Products will be resistant to all possible attacks and shall not incur, and disclaims, any liability in this respect. Even if each Product is compliant with current security standards in force on the date of their design, the Buyer acknowledges that the resistance of the security mechanisms necessarily evolves according to the state of the art in security and notably under the emergence of new attacks. Under no circumstances, shall GEMALTO be held liable for any third party actions or claims and, in particular, in case of any successful attack against systems or equipment incorporating the Products. The Buyer is deemed to have provided and is responsible for all designs, plans, data (e.g. personalization data), electronic security mechanisms and architecture, and specifications with respect to Products (collectively, “Designs”). If, at the Buyer’s request or otherwise, GEMALTO makes suggestions with respect to the Designs, the Buyer will be responsible for analyzing the same and determining whether or not to incorporate them into the Designs. The Buyer represents and warrants that by placing an order for the Products: (a) it relies on its own knowledge and judgment in the selection and use of the Products as well as the electronic security mechanism and/or architecture installed in the Products, and (b) it has read, understood and accepted the electronic security mechanisms and/or architecture offered by the Products.
10. LIABILITY

10.1 To the maximum extent permitted by applicable law and with respect to any damages, losses or costs arising out of or related to the Contract, GEMALTO, any of its directors, employees and those of its affiliates or its suppliers, agents or distributors shall not be, in any case whatsoever, liable to the Buyer, its officers, agents, employees, successors and/or assignees for any indirect, special, consequential or incidental damages of whatsoever kind or nature arising out or in connection with the Contract, including but not limited to any loss, cost, damage, loss of revenue, loss of profit, income, revenue or loss of use, production or anticipated savings, loss of business, contracts or commercial opportunities, loss or damage to goodwill or reputation, or any loss or corruption of any data, database or software, incurred or suffered by the Buyer and/or any third party resulting from a defect, infringement or alleged infringement, an incident, the failure of the Products or any failure to perform according to the Contract even if GEMALTO was advised of the possibility of such damages. The Buyer shall defend, indemnify, and hold GEMALTO harmless from and against any claim based on such damage, loss or cost.

10.2 Under no circumstances shall GEMALTO be liable to the Buyer for any damages, losses or costs resulting from or arising out of any illegal and/or fraudulent use of the Products by the Buyer, any third party or the end-user.

10.3 Any claim against GEMALTO must be brought within no later than twelve (12) months after the cause of claim arises.

10.4 The aggregate liability of GEMALTO or its suppliers, agents or distributors in connection therewith shall not exceed either: (i) the price of the Order giving rise to the claim; or (ii) the total price actually paid to GEMALTO under the Contract during the six (6) months preceding the event leading to the claim for damages by the Buyer, whichever is smaller. This limitation of liability shall apply regardless of the form of action, whether in contract or in tort (including negligence) or based on a warranty.

11. FORCE MAJEURE

11.1 GEMALTO shall not be in default if the performance of any of its obligations under the Contract is partly or wholly delayed or prevented by reason of Force Majeure.

11.2 “Force Majeure” shall mean any event beyond the reasonable control of GEMALTO such as, without limitation: acts of God, governmental decision, embargo, war or national emergency, hostilities, act of the public enemy, terrorist attacks anywhere in the world, civil commotion, sabotage, fire, flood, explosion, epidemics, quarantine restriction, disturbances in supplies from normally reliable sources (including without limitation electricity, water, fuel and the like), strike (either at GEMALTO or its suppliers or subcontractors), lock-out and labour disturbances, delay from a supplier or subcontractor facing a case of force majeure as defined herein.

11.3 In case of Force Majeure, GEMALTO shall give notice of the event to the Buyer and the time schedule for the performance of the Contract shall be automatically extended by the period of time as reasonably necessary for GEMALTO to overcome the consequences of such event.

11.4 If the performance in whole or part of any GEMALTO’s obligation is delayed or prevented by reason of Force Majeure for a period exceeding three (3) months, GEMALTO may at any time without further liability to the Buyer, request termination of the Contract or any part thereof. The parties will then try to establish by mutual agreement a liquidation settlement, failing which the provisions of Article 14 shall apply. However, Force Majeure shall not prevent or delay the payment of any sum due or to be due by either party.

12. EXPORT CONTROL

In cases where GEMALTO is exporting the Products and the Products are subject to export restrictions, the Buyer shall undertake to fully comply with all relevant export administration and control laws and regulations so as to ensure that the Products are not, directly or indirectly, exported in violation of applicable laws or imported in violation of the applicable law. The Buyer shall therefore not sell, lend or deliver to any third party, under any conditions whatsoever, with or without compensation, temporarily or permanently, the Products (including supplies and spares/replacements delivered in connection with the after sales support), documentation, operating manuals and information in any way whatsoever related to the Products, without the prior written consent of GEMALTO and/or the relevant competent authorities.

13. INTELLECTUAL PROPERTY, CONFIDENTIALITY AND INFRINGEMENT

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

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

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

13.3 Subject to Article 10, GEMALTO shall indemnify the Buyer against any and all claims, costs, expenses or liability directly arising out of the alleged infringement or infringement of intellectual property rights in the Buyer’s country as a consequence of the use by the Buyer of the Products in accordance with their technical specifications, provided that the Buyer shall promptly notify GEMALTO in writing of any claim, that no claim may be made after a period of three (3) years from the date of delivery of the Product giving rise to the claim, that the Buyer shall provide all information and assistance required by GEMALTO concerning the claim, that the Buyer shall give GEMALTO the opportunity to defend and settle under the responsibility of GEMALTO any claim in this respect and that the Buyer shall refrain from making any admission, declaration or arrangement with the third party raising such claims.

The foregoing obligation to indemnify the Buyer shall not apply to GEMALTO for Products for which GEMALTO has not obtained a similar warranty from its supplier(s) and shall not apply either to GEMALTO for any alleged infringement or infringement that is due to or based upon (a) the association or combination of the Products with any other article, software, hardware, apparatus or device, and/or (b) any alteration or modification of the Products which is not made by GEMALTO or which is based upon a design supplied by the Buyer.

13.4 Should a court or an arbitrator finally establish that there has been an intellectual property infringement or should GEMALTO consider that the Products could be the subject of a claim or suit for intellectual property infringement, GEMALTO may choose, at its option, either:
- to obtain the right for the Buyer to continue using the Products, and/or
- to substitute equivalent products for the infringing Products, and/or
- to modify infringing Products so as to eliminate the infringement.

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

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

14. APPLICABLE LAW AND SETTLEMENT OF DISPUTES


14.2 The Courts of New Delhi, India shall have exclusive jurisdiction to resolve any and all disputes between the parties arising out of or in connection with the existence, validity, construction, performance and/or termination of the Proposal and/or the Contract, which the parties are unable to settle amicably.

15. ASSIGNMENT

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

16. TERMINATION

GEMALTO may terminate the Contract and/or its obligations hereunder at any time upon:
- Default by the Buyer in the payment of any amount due to GEMALTO hereunder;
- The Buyer’s failure to pay any debt to GEMALTO;
- The Buyer’s bankruptcy, insolvency or receivership;
- Any material default by the Buyer under the Contract not cured within fifteen (15) days from the date GEMALTO notifies the Buyer of such default.

17. MISCELLANEOUS

17.1 If any provision of the Contract is found by any court, tribunal or administrative body of competent jurisdiction to be wholly or partly illegal, invalid, void, voidable, unenforceable or unreasonable, it shall to the extent of such illegality, invalidity, voidness, voidability, unenforceability or unreasonableness be deemed severable and the remaining provisions of the Contract and the remainder of such provision shall continue to be in full force and effect.
17.2 The parties to the Contract do not intend that any term of the Contract shall be enforceable by virtue of the Contracts by any person that is not a party to it.

[end]