

# Reseller Agreement (Non-Exclusive) – Terms and Conditions

The following sets out the terms and conditions applicable to the appointment of Reseller in respect of the Resale of Arqit Products and/or Arqit Services. These terms and conditions form part of and are incorporated into the covering document (referred to as the “**signature page**”) signed by the Parties and referencing these terms and conditions.

## 1. DEFINITIONS

1.1. Unless otherwise defined, capitalised terms in this Agreement have the following meanings:

**Activation Date:** means the date that an Activation Notification is issued.

**Activation Notification:** means the email or other electronic notification or communication issued by or on behalf of Arqit confirming End User’s right to Use the Software has commenced and, where applicable, any logins, activation codes or license keys.

**Affiliate(s):** means in respect of a Party, any other party which is controlling or controlled by or under common control with such Party, where “control” means the direct or indirect ownership of more than 50% of the voting power in respect of a Party.

**Agreement:** this reseller agreement including the schedules stated to form part of this Agreement and any other document that the Parties expressly agree forms part of this Agreement.

**Applicable Law:** any statute, statutory provision or subordinate legislation or any mandatory rules or guidance issued by any regulatory body or government authority having jurisdiction over the applicable Party.

**Arqit Website:** means any public or private website operated by or on behalf of Arqit.

**Audit:** has the meaning given to it in Section 10.1.

**Brand Guidelines:** means Arqit’s brand usage guide as made available to Reseller from time to time.

**Cancellation Notice:** has the meaning given to it in Section 2.7.

**Channel Partner:** means Arqit’s authorised Distributor(s), other resellers, systems integrators and other business partners that are authorised to purchase Products and/or Services directly from Arqit or a Distributor for Resale to an End User.

**Confidential Information:** means any ideas, concepts, information including any pricing, discounts, credits, Arqit Product information, business processes, customers, marketing, financial plans and other information of the disclosing Party’s business or customers, in any form, which is either marked as “proprietary” or “confidential” or is similarly marked or which a reasonable business person would consider to be confidential, and which has or is supplied directly or indirectly by one Party to the other Party in connection with the Agreement (and any information derived from such information), including any copies.

**Data Protection Legislation:** means all applicable data protection, privacy and electronic marketing legislation, including any UK legislation implementing Directive 2002/58/EC (the Privacy and Electronic Communications Directive), the GDPR, the Data Protection Act 2018 (and any related national legislation), any replacement or repealing legislation.

**Distributor(s):** means an entity authorised by way of a written agreement with Arqit to distribute and license Products and Services to resellers in the Territory.

**Documentation:** means collectively the user manuals, ordering technical manuals, data sheets, Product specifications and any other Arqit branded or Arqit proprietary materials in any form whatsoever that describe the installation, operation, use and/or technical specifications of the Products and Services and as each may be amended from time to time by Arqit.

**End User Agreements:** has the meaning given to it in Section 2.4.

**End User:** means a final purchaser or licensee that acquires or is authorised by Arqit to use the Product(s) and/or Services for its own internal use and not for Resale, remarketing or further distribution, and excluding the Reserved Customers.

**Fees:** means the prices to be paid for the Products and/or Services as set out in the Global Price List or the applicable Order.

**Global Price List:** means the price list provided by Arqit containing the prices that Arqit will charge Reseller for Products and Services that Arqit may, at its discretion, make available to Reseller under this Agreement and as updated from time to time.

**Government End User:** is defined at Section 772.1 of the Export Administration Regulations (“EAR”; 15 CFR part 730 et seq.), which may be updated from time-to-time. This includes any foreign central, regional or local government department, agency, or other entity performing governmental functions; including governmental research institutions, governmental corporations or their separate business units which are engaged in the manufacture or distribution of items or services controlled on the Wassenaar Munitions List, and international governmental organizations.

**Hardware:** means the physical components of equipment delivered to an End User as part of the Products and/or Services that Arqit makes available to End Users and that are listed on the Global Price List.

**Maintenance Contract:** means a separate maintenance and support contract for the relevant Product including any defined service level agreements.

**Maintenance Services:** means the technical support services and maintenance supplied by Arqit (either directly or through a subcontractor) as further described in the applicable Transaction Document.

**Marks:** means trademarks, service marks, or trade names owned, used or claimed now or in the future by Arqit.

**Marks and related Materials:** has the meaning given at Section 4.2.

**Non-Genuine Product(s):** means those products: (i) to which a Mark has been affixed without Arqit’s consent; (ii) that have not been developed or manufactured by Arqit or by a licensed developer or manufacturer of Arqit in accordance with the applicable license; (iii) are produced with the intent to counterfeit or imitate a genuine Arqit Product, or (iv) any Arqit Product (including any Software) where any form of copyright notice, trademark, logo, confidentiality notice, serial number or other product identifier have been removed, altered or destroyed.

**Order:** means the order by Reseller of any Product(s) and/or Services pursuant to a Transaction Document.

**Partner Code of Conduct:** means the guidelines established by Arqit to set minimum standards of business conduct and acceptable business practices for its business partners. The Partner Code of Conduct applies to Channel Partners and their personnel, including directors, officers, agents, contractors, consultants, and employees, in all activities related to the Channel Partner’s business relationship with Arqit throughout the world. It is updated periodically and the current version is posted on Arqit’s website at: <https://ir.arqit.uk/corporate-governance/governance-documents>.

**Person:** means an individual or any corporate entity, governmental authority, partnership or any other entity in any form.

**Point of Sale Information:** means information to be provided by Reseller at the time of Order placement to Arqit or a Distributor containing information requested by Arqit and/or such Distributor. Reseller shall provide, at a minimum, the following information for each transaction:

- (a) Reseller’s name and the identification number assigned to Reseller by Arqit;
- (b) Quote or other Order reference number (if available);
- (c) Each End User’s name and business address;
- (d) Ship-to name and address (in respect of Software and/or Hardware);
- (e) Reseller’s chief contact person’s name and email address;
- (f) Technical contact person’s name and email address;
- (g) Installation address;

- (h) SKU or other serial numbers or other unique identifier for the applicable Products and/or Services;
- (i) Quantity of the Arqit Product sold to each End User;
- (j) Whether the End User is a Government End User; and
- (k) Any other information reasonably requested by Arqit in order to fulfil its obligations under this Agreement, including any documents Arqit requests pursuant to Section 7.3.

**Product(s):** means, Arqit's products and solutions (including any Software, Documentation and Hardware) and any supplies and other goods related to any of the foregoing, which Arqit makes available to Reseller for Resale (or, in the case of Software, transfer of a license right to use such Software) under this Agreement.

**Professional Services:** any professional services or consultancy or support services to be provided by Arqit as further described in the applicable statement of work supplied by Arqit.

**Purchase Order(s):** means an electronic order form that Reseller provides to Arqit to purchase Products and Services setting out the Point of Sale Information and expressly excluding any Reseller terms and conditions.

**Renewal Notice:** has the meaning given to it in Part B of the EULA.

**Resale:** means any of the following sales, dispositions or distributions of a Product and/or Service: (i) transfer of title (or, in the case of Software, transfer of a license right to use such Software, and, for any Services, the entitlement to receive such Services) to the End User of such Product or Service or (ii) transfer of title (or, in the case of Software, transfer of a license right to use such Software, and, for Services, the entitlement to receive such Services) to a financial intermediary such as a leasing company, where the Arqit Product or Arqit Service is used by an unaffiliated End User; provided, however that "Resale" as used herein does not include the purchase, license, sublicense, distribution or use of an Arqit Product or Arqit Service for the provision, to a customer or the general public, of any network services. The word "**Resell**" (including all tenses thereof) means to engage in Resale.

**Reseller:** means the company that has executed or otherwise accepted this Agreement and is registered with Arqit to purchase Products and/or Services directly from Arqit or a Distributor for Resale to an End User.

**Reserved Customers:** means all of: (i) those customers or End User entities and/or customer or End User sectors or groups specified in the signature page to this Agreement, which comprise the customer groups or sectors in respect of which Arqit has appointed an exclusive distributor or has reserved to itself; and (ii) any other customer groups in respect of which Arqit informs Reseller by written notice that it has appointed or will appoint an exclusive Channel Partner or has reserved to itself; and (iii) any entity or person deemed in Arqit's reasonable discretion as a competitor of Arqit.

**Services:** means the Professional Services, Maintenance Services and any other Arqit branded services that Arqit makes available to End Users and that is listed on the Global Price List.

**Software Release:** means any updates, upgrades, bug fixes, patches and other error corrections as Arqit may generally make available to all licensees of the relevant Product which are identified by Arqit as a new release of the Software on an "if and when available" basis.

**Software:** means Arqit's software in machine-readable object code and accompanying activation keys, if any, for made available under this Agreement and including, where applicable, any Software Releases and any Updates of such Software. Notwithstanding anything to the contrary specified in, or pursuant to, this Agreement, no "sale" of any Software is conveyed pursuant to, or in connection with, this Agreement.

**Target Customers:** means all of: (i) those customers or End User entities and/or customer or End User sectors or groups specified in the signature page to this Agreement executed by the Parties, but expressly excluding the Reserved Customers.

**Territory:** means the geographic location(s), assigned by Arqit to Reseller where Reseller is authorized to Resell the Products, and/or the other criteria for defining the scope of the appointment granted in Section 2.1 below and as set forth on the signature page of this Agreement.

**Third Parties:** means any Person other than the Parties.

**Third Party Licensors:** means an entity other than Arqit that has licensed the right to use any part of the Software forming party of the Product(s) or Services.

**Transaction Document:** means the document setting out the commercial specifics of the transaction such as the applicable pricing and any other specific commercial terms of sale, and a description of the Products or Services being ordered. A Transaction Document may include an order form, a quote, a renewal notice, a statement of work or other Professional Services description document or Maintenance Contract. There may be more than one Transaction Document.

**Unauthorized Product:** means any genuine Arqit Product or Arqit Service that Reseller purchases or acquires from, either directly or indirectly, from any party other than Arqit and/or a Channel Partner, or Resells to any party outside of the Territory.

**Updates:** means any updates, upgrades, bug fixes, patches and other error corrections to the Software as made available to all licensees from time to time either as part of a subscription license or pursuant to a Maintenance Contract.

- 1.2. Unless the context otherwise requires, words in the singular shall include the plural and in the plural include the singular.
- 1.3. Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.4. A reference to a statute or statutory provision is a reference to it as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder.
- 1.5. The word “including” or any variation thereof means (unless the context of its usage requires otherwise) “including, but not limited to,” or “without limitation” and shall not be construed to limit any general statement that it follows to the specific or similar items or matters immediately following it.

## 2. APPOINTMENT AND RESPONSIBILITIES OF RESELLER

- 2.1. Appointment. The appointment of Reseller is as set out in the signature page to this Agreement. Unless otherwise expressly stated in the signature page, the appointment is on a non-exclusive basis.
- 2.2. Territory. Unless otherwise expressly agreed in writing by Arqit, Reseller shall not, directly or indirectly Resell and/or distribute any Products or Services to any person or entity outside of the Territory or within the Territory whom Reseller knows or has good reason to believe may use or transfer the Products or Services outside of the Territory. For the purpose of selling Products or Services, Reseller shall not solicit orders, engage salespeople, or establish warehouses or other distribution centres outside the Territory. Reseller shall promptly advise Arqit of all inquiries or orders received by the Reseller relating to the supply of Products and/or Services to businesses or individuals outside of the Territory.
- 2.3. Products and Services. Reseller is authorised to sell only those Products and/or Services that are listed on the Global Price List (as may be modified at any time by Arqit in its sole discretion).
- 2.4. End User License Agreements. The use of the Software and the provision of any Services by Arqit to any End User shall be subject to the then current end user license agreement (the “EULA”) and the then current standard terms and conditions relating to the Professional Services (the “PS\_STCs”) as each are available at <https://pages.arqit.uk/document-hub> (which may be updated at any time at the sole discretion of Arqit by notice to the Reseller either directly or through notification via the Arqit Website). The EULA and PS\_STCs together with the Limited Warranty (defined below) constitute the “End User Agreements”). Reseller shall provide the End User Agreements to each End User at the time of purchase and shall require each End User to be bound by the terms of the End User Agreements prior to, and as a condition of, any Resale of Products or Services to such End User. Reseller shall notify Arqit promptly of any breach of any of the terms of the End User Agreements that Reseller becomes aware of, and further agrees that it will assist Arqit to diligently pursue action against any Third Parties in breach thereof.
- 2.5. Non-Genuine Products or Unauthorised Products. Reseller shall not purchase and/or Resell any Non-Genuine Products or Unauthorised Products or Resell Services associated with any such Non-Genuine Products or Unauthorised Products. Reseller shall not purchase, license, acquire, use, promote, Resell or distribute any Non-Genuine Products or Unauthorised Products. Reseller shall notify Arqit promptly upon it becoming aware of the existence or suspected existence of any Non-Genuine Products or Unauthorised Products in possession of any Third Parties. Reseller is not entitled to the rights granted herein with respect to the Resale of such Non-Genuine Products or Unauthorised Products. Arqit reserves the right to deny, withhold or discontinue the performance of any Order which it believes is or relates to any Non-Genuine Products and Unauthorised Products. Reseller further acknowledges that destroyed, used, stolen or damaged Products are not entitled to Services.

- 2.6. If Arqit determines that Reseller has Resold and/or redistributed any Non-Genuine or Unauthorised Products, then Arqit may, at Arqit's sole discretion without liability to Reseller and without prejudice to any of Arqit's other rights, do any or all of the following: (a) audit Reseller's purchase and Resale records of Arqit Product(s) and Services, and relevant records pursuant to Section 10.1 (Record- Keeping and Audits) below; (b) invoice Reseller for all reasonable costs incurred by Arqit in its performance of the Audit; (c) suspend all Order fulfilments; and/or (d) terminate this Agreement pursuant to Section 11.2 (Termination with Cause) below.
- 2.7. Renewal of Services and Cancellation Notice. All Products shall be renewed in accordance with Part B of the EULA. Arqit, or its authorised agents, may send Renewal Notices to Reseller and/or the identified End User not less than sixty (60) days (for Products or Services with subscriptions or contract periods of 12 months or more) and thirty (30) days (for Products or Services with subscriptions or contract periods of six (6) months or more) prior to expiry of the initial and each subsequent subscription or contract term. The applicable Product or Service will automatically renew for the period set out in the Renewal Notice at the end of the then current term unless cancelled by End User on not less than 30 day's written notice to Arqit or Reseller ("**Cancellation Notice**"). Where the Cancellation Notice is provided to Reseller, Reseller shall promptly forward the same to Arqit and in any event within two (2) working days.
- 2.8. Cancellation Fees and Early Repayment Fees. A failure to submit a Cancellation Notice in accordance with the foregoing will result in the Fees for the renewal period becoming due and payable in accordance with the Renewal Notice and this Agreement. Early repayment fees will be charged for any cancellation of a Product and/or Service prior to the end of the applicable subscription or contract term which shall be equivalent to any unpaid Fees for the remaining subscription or contract term.
- 2.9. Upon receipt of a Renewal Notice, Reseller will promptly: (i) initiate the renewal process with the End User and forward to Arqit the completed renewal with a valid Purchase Order; or (ii) notify Arqit in writing of Reseller and/or End User's intent to not renew the Services contract or Product license (or subscription) as the case may be in accordance with Section 2.7. If Reseller has not renewed the Services contract, Product license or Product subscription, Arqit or its authorised agents may contact the End User to arrange for the renewal with Arqit directly or via another Arqit-authorised Reseller.
- 2.10. Unsupported Products. If Reseller elects not to Resell Services at the time of purchase by an End User of any Arqit Product, Reseller shall promptly notify Arqit and hereby authorises Arqit to contact the End User for the express purpose of contracting directly for support services for any unsupported Arqit Product identified by Reseller.
- 2.11. Demonstration and Evaluation. If Reseller purchases or licenses any Arqit Product for customer demonstration and/or internal evaluation, Reseller shall use such Products solely in a non-production environment for demonstration, internal evaluation and testing purposes, and solely in accordance with the EULA. Reseller shall not Resell or distribute to any Third Party any of these demonstration or evaluation Products without the prior written consent of Arqit.

### **3. RESELLER'S SOFTWARE DISTRIBUTION RIGHTS**

- 3.1. Grant of Rights. During the term of this Agreement and subject to its terms and conditions, Arqit grants to Reseller a limited, non-exclusive, non-transferable, revocable right to receive from Arqit or a Distributor and to sublicense to End Users located in the Territory, the Software, in object code form only, subject to the terms of the EULA. Reseller may not sublicense to any person or entity its rights to distribute the Software. Reseller represents and warrants that any Updates and/or Software Releases to the Software will be distributed under the same terms and conditions as the original Software.
- 3.2. Reservation of Rights. Except for the limited license provided in Section 3.1 (Grant of Rights), Arqit and/or its Third Party Licensors retain all right, title and interest in and to each proprietary right embedded in or contained in any Product(s) including the Software, all copies thereof and all related Documentation and including the Logo and related Materials. Any invoices of Arqit purporting to sell or transfer such items do not convey title to, or patent rights, copyrights or any other proprietary interest in, such items to Reseller.
- 3.3. Unless expressly authorised by Arqit or, except to the extent transfer cannot be legally restricted under Applicable Law, Reseller shall not (to the extent each are applicable to the Products (which includes the Software):
  - (a) rent, lease, lend, sell, sublicense, transfer, assign, whether voluntarily or by operation of law, distribute, publish or otherwise make available the Products or any right or license in and/or to the Products or any features or functionality of the Products in whole or in part and in any format or via any media to any other person or legal entity, other than as is expressly authorised under this Agreement. Any attempt to do any of the acts described in this subsection shall be void; or

- (b) either (i) directly or indirectly, decompile, disassemble, reverse engineer, decode or otherwise attempt to derive or gain access the source code contained in the Software (or any part thereof), modify, adapt, translate, unbundle, detach or separate any part of or embed within, or create derivative works or improvements (whether or not patentable) based on any part of the Software or the Documentation; (ii) unless expressly authorised by Arqit, make any copies of Software or Documentation except as reasonably necessary for archival and "cold" back-up purposes, but not for failover or "warm" back-up purposes (with any such copies remaining the exclusive property of Arqit and subject to the terms and conditions of the Agreement); (iv) remove, delete, alter or obscure (or, if the license includes the right to make copies of the Software, fail to include in those copies) any readme files, notices, disclaimers, marks or trademarks (including the Marks, and whether or not registered) of Arqit or any Third Party licensor, or labels included in or forming any part of the Products or Services as delivered or made available by Arqit; and (iv) use or allow use of the Product and/or Services in violation of any Applicable Law or to support or facilitate any illegal activity; or
  - (c) use the Products or Documentation for purposes of competitive analysis of the Products (or any part of them), the development of competing products and/or services or any other purpose that could reasonably be considered to be to Arqit's commercial disadvantage.
- 3.4. Use of Third-Party Software / Products / Applicable Terms. For non-Arqit branded products and/or services delivered in connection with Arqit's Products and/or Services, such Third Party products and/or services shall be separately governed and licensed by the applicable Third Party product and/or services terms and conditions. Such Third Party terms and conditions shall supersede the EULA and this Agreement for non-Arqit branded products and/or services or as otherwise stated in any Software. For the avoidance of doubt, the Third Party supplier of non-Arqit branded products and services or Third Party licensor of Software shall be solely responsible for support, warranties, indemnities and other terms and conditions applicable to such products and services. To the extent that Arqit has embedded any Third Party software or components in any Arqit Products, that Third Party licensor may enforce its license rights against the Reseller. Any breach of any Third Party licenses shall also be a breach of this Agreement.
- 3.5. US Government Restricted Rights. The following applies if you are an agency, department or entity of the United States Government. Software is a "commercial item" as defined in Federal Acquisition Regulation ("FAR") part 2.101. Software is provided to all agencies, departments, and other units of the United States Government except for the Department of Defense and its constituent agencies with the rights set forth in the EULA and, to the extent applicable, those rights set forth in the Commercial Computer Software License clause at FAR part 52.227-19. Related documentation is provided with RESTRICTED RIGHTS. In the event of a sale to the Department of Defense or its constituent agencies, and as provided in DFARS 227.7202-3, the US Government's rights in Software, supporting documentation, and technical data are limited to those rights granted by the terms of the EULA.
- 3.6. License to Documentation. Documentation Arqit makes available to Reseller is copyrighted by Arqit and is made available subject to the terms contained in this Agreement and any additional terms as Arqit may provide and notify Reseller of through Arqit's Websites. Information provided by Arqit may be used only during the term of this Agreement and in connection with Reseller's promotion and Resale of Products and Services.

#### 4. TRADEMARKS

- 4.1. Acknowledgment of Rights. Reseller acknowledges that Arqit holds all right, title and interest to the Marks.
- 4.2. Arqit Mark and Related Materials. Subject to and expressly conditioned upon compliance with the terms and conditions of this Agreement and the terms of the Brand Guidelines, during the term of the Agreement, Arqit hereby grants to Reseller a non-exclusive, non-transferable, royalty-free, personal right to use the official Arqit Marks in the form supplied to it by Arqit, and any other related materials made available to Reseller (the "**Marks and related Materials**") in connection with Reseller's marketing and advertising of Arqit's Products and Services, within the Territory. Reseller may not use or reproduce the Marks and related Materials in any manner whatsoever except as expressly permitted under this Agreement. Within thirty (30) days of the execution of this Agreement, Reseller shall ensure that the Arqit official Mark is placed in a prominent position on its website. Arqit reserves the right to amend the Marks and related Materials. Upon notice from Arqit, Reseller shall cease use of the Mark and related Materials as quickly as reasonably possible.

- 4.3. Arqit retains all right, title and interest in and to the Marks and related Materials. Except as explicitly granted in this Agreement, Reseller shall not have any rights in the Logo. Under no circumstances will anything in this Agreement be construed as granting, by implication, estoppel or otherwise, a license to any Arqit technology or proprietary right. Reseller shall not (i) challenge Arqit's ownership or use of the Marks and related Materials; (ii) attempt to register any portion of the Marks or related Materials or any constituent elements; (iii) remove, alter or add to the Marks or Related Materials; or (iv) incorporate the Marks or related Materials into Reseller's product names, service names, company names, domain names, or any other similar designations. Reseller's use of the Marks inures to the sole benefit of Arqit.
- 4.4. Upon termination or expiry of this Agreement the Marks and related Material's license and rights granted hereunder shall terminate completely. Upon termination or expiry of this Agreement, Reseller must immediately discontinue all use of the Marks and related Materials.

## **5. RESELLER OBLIGATIONS**

- 5.1. In addition to the other obligations set out in this Agreement, Reseller shall:
  - (a) actively market and promote the Products and Services to End Users and prospective customers in the Territory during the Term in accordance with the terms of this Agreement;
  - (b) save where otherwise agreed with Arqit in advance, ensure that each agreement with an End User includes an obligation on the End User to accept and comply with the terms and conditions of the EULA (and such other terms as agreed between the Parties from time to time and as are relevant) and not amend or vary the terms of the EULA without Arqit's prior written consent in each and every instance;
  - (c) employ a sufficient number of suitably qualified and appropriately trained and experienced personnel to ensure the proper fulfilment of its obligations under this Agreement;
  - (d) not conduct its business or any dealings with third parties (including End Users) in any manner which is likely to have a negative impact on the goodwill or reputation of Arqit or do, permit or omit to do anything which in the reasonable opinion of Arqit is prejudicial to marketing or sales of the Products and/or Services;
  - (e) use reasonable skill, care and diligence in performing its obligations under this Agreement;
  - (f) promptly provide all Point of Sale Information as requested and in any event with 14 days of a request from Arqit;
  - (g) within 30 days of a written request from Arqit, provide such information as is reasonable about Reseller's Resale activities under this Agreement and its processes and controls to support compliance with this Agreement.
  - (h) comply with the reasonable directions and instructions given by Arqit in relation to the promotion, distribution and Resale of the Products;
  - (i) procure and maintain all licenses, permissions and consents (including consents from End Users in relation to the sharing of any personal data) required to perform its obligations under this Agreement and comply at all times with the foregoing;
  - (j) do anything or fail to do anything that may damage the reputation of Arqit, any its Affiliates, its Products or Services or damage Arqit's Intellectual Property Rights;
  - (k) make a reasonable attempt to inform Arqit of any relevant marketing or sector information received by the Reseller which is likely to benefit the marketing or sale of the Products and/or Services in the Territory;
  - (l) provide such information and assistance as Arqit may reasonably require in order for Arqit to perform its obligations and exercise its rights under this Agreement;
  - (m) ensure all information provided to Arqit in respect of End User, as far as is possible, is complete and accurate in all material respects; and
  - (n) indicate it is acting as reseller and not as author or developer of the Products in all correspondence and dealings with third parties (including the End Users).

## 6. ARQIT OBLIGATIONS

### 6.1. Arqit will:

- (a) promptly provide or notify Reseller (or Distributor) (as applicable) of any material changes to the EULA or to the Documentation and, where necessary and appropriate, provide any necessary training to Reseller's personnel in relation to such changes;
- (b) provide such additional information and support as may be reasonably requested by Reseller to enable it properly and efficiently to discharge its duties under this Agreement;
- (c) procure and maintain all licenses, permissions and consents required to perform its obligations under this Agreement and comply at all times with the foregoing;
- (d) use reasonable skill, care and diligence in performing its obligations under this Agreement and comply with all Applicable Laws.
- (e) use reasonable endeavours to approve or reject (with the reasons for such rejection) any promotional information or material in relation to the Products and Services submitted (or resubmitted as the case may be) by Reseller within 14 days of receipt.

6.2. Training. To the extent required and agreed by the Parties, Arqit shall make available to Reseller training, technical support and other services related to Products that are offered by Arqit. Specialised training, to the extent required, may be available to Reseller through Arqit or Arqit training partners at then-current prices of Arqit or its training partners. The provision of any Professional Services by Arqit to any End User shall be subject the PS\_STCs (as defined under Section 2.4).

6.3. Arqit Online Channel Partner Portal. To the extent required and agreed by the Parties and subject to Reseller's acceptance of the Channel Partner Portal Terms of Use (as the same may be updated from time to time, the "**CPP Terms**"), Arqit will give Reseller access to Arqit's restricted-access Website that provides tools and resources to assist Reseller in its sales efforts. If so agreed by the Parties, Arqit will issue to Reseller a secure login and password ("**ID**") through which Reseller may access such Arqit Website. Reseller will use its ID only in compliance with the CPP Terms. Reseller agrees to accept all responsibility for all activities that occur under Reseller's ID as further described in the CPP Terms.

6.4. Arqit Web Access. Reseller may also have Reseller-level access to Confidential Information on the Arqit Website (if any), provided Reseller's use of such information is subject to the terms and conditions set forth in Section 16 (Confidentiality).

## 7. PURCHASE ORDERS FOR SUPPLY OF PRODUCTS AND SERVICES

7.1. Orders. Reseller shall purchase Products and Services by providing to Arqit electronically binding Purchase Orders signed by its authorised representative. At the time of placement of each Purchase Order Reseller shall provide the Point of Sale Information to Arqit. Purchase Orders for renewals of Services shall include the SKU and the location of the related Products, if any. All Purchase Orders issued under this Agreement shall reference this Agreement, and be governed solely and exclusively by its terms and conditions. If any Purchase Order or other correspondence submitted by Reseller contains any terms which conflict with or are in addition to the terms contained in this Agreement, the terms of this Agreement shall prevail in each instance and all conflicting or additional terms are hereby expressly rejected by Arqit and agreed by Reseller to be void and unenforceable against Arqit.

7.2. Purchase Order Acknowledgment. All Purchase Orders are subject to approval and acceptance by Arqit. Arqit shall use commercially reasonable efforts to notify Reseller of Arqit's acceptance or rejection of any Purchase Order within five (5) business days after Arqit's receipt of such Purchase Order (either directly or to Distributor).

7.3. Arqit may request additional Point of Sale Information to verify the existence, location and legitimacy of any End User, including information regarding ultimate beneficial owners of any End User as necessary to comply with any anti-money laundering obligations or to verify the Reseller's compliance or non-compliance with this Agreement and Arqit's then-current policies.



- 7.4. Rescheduled Order / Alteration of Orders. Rescheduled Orders or Product configuration changes requested by Reseller less than twenty (20) days before the original anticipated Activation Date or start date of Services will be subject to: (i) acceptance by Arqit and (ii) a charge of fifteen percent (15%) of the total invoice amount. Arqit may suspend or cancel any Purchase Order prior to the anticipated Activation Date or the applicable start date if Reseller materially breaches this Agreement, fails to make payments when due or Arqit believes in good faith that Reseller's ability to make payments may be impaired.
- 7.5. Cancellation of New End User Orders. In relation to Orders for new End Users, cancellations on less than twenty (20) days' notice before the original anticipated Activation Date or start date of Services will be subject to a charge of fifteen percent (15%) of the total invoice amount. All other cancellations will be subject to the Fees or early termination charge set out in Section 2.8 above.

## 8. PRICING AND INVOICING

- 8.1. Prices for Products and Services. For purchases by Reseller of Products and Services directly from Arqit, prices for the Products and Services payable by Reseller shall be those specified in Arqit's then current Global Price List, as updated from time to time by Arqit less any mutually agreed Reseller's discount. The difference between Reseller's purchase price and Reseller's Resale price to End Users will be Reseller's sole remuneration for Resale of the Products and Services hereunder. Reseller will have sole discretion in establishing its Resale price for all Products and Services. For purchases by the End User of Products and Services directly from Arqit, prices for the Products and Services payable by the End User shall be those specified in Arqit's then current Global Price List, as updated from time to time by Arqit.
- 8.2. Changes in Prices. Prices for Products and Services and/or Reseller Discounts may be changed by Arqit upon its sole discretion, upon thirty (30) days prior written notice to the Reseller (the "**Notice Period**"). Purchase Orders received before the Notice Period, and those received during the Notice Period which specify a delivery date within sixty (60) days following the effective date of a price increase will be invoiced to Reseller without regard to the price change.
- 8.3. Additional Discount and Special Pricing.
- (a) From time to time, Arqit may provide Reseller with additional discount/special pricing to be provided to a specific End User(s), and/or to meet competition from Arqit competitors. Reseller agrees to pass through such additional discount to the specific End User identified by Arqit. For the avoidance of doubt, Reseller has sole discretion to establish its Resale price to End User(s) provided that additional discount/special pricing is provided to that specific End User identified by Arqit.
  - (b) Arqit will provide written notification to Reseller of offered additional discount/special pricing. Such notification will include terms and conditions applicable to such additional discount/special pricing, which Reseller shall accept by submitting a Purchase Order using the additional discount/special pricing. Such written notification will specify a fixed time period during which such additional discount/special pricing shall be available and provided to the specific End User(s) identified in the notification. If no time period is specified, the time limit shall be ninety (90) days from the effective date of the written notification.
  - (c) If Arqit provides Reseller with such additional discount/special pricing and subsequently determines that Reseller has (i) sold Products or Services purchased with such special pricing to End User(s) other than the End User identified, or for projects other than the project identified, and approved in the written notification, or (ii) failed to pass the discount through to the End User; then Arqit may, in addition to all of its other rights and remedies, all of which are reserved: (a) invoice Reseller for the difference between such additional discount and Reseller's then-current contractual resale discount; (b) audit Reseller's purchases pursuant to Section 10.1 (Record-Keeping and Audits) and invoice Reseller for all reasonable costs incurred by Arqit in its performance of the Audit, including professional fees and expenses of accountants and attorneys; (c) immediately suspend Reseller's access to price deviations, special discounts, and other Arqit sales and marketing programs; (d) suspend shipments to Reseller; and (e) terminate this Agreement pursuant to Section 11.2 (Termination with Cause).
  - (d) For the avoidance of doubt, Reseller has sole discretion to resell Products and Services to End User(s) identified by Reseller, subject to: (i) the application of additional discount/special pricing to specific End User(s) identified by Arqit and (ii) the ability of Arqit to reject certain potential customers for objectively justifiable commercial and/or legal reasons.

- 8.4. Invoices. Invoices shall issue by electronic means only and shall contain (i) Arqit's name and invoice date, (ii) a reference to the Purchase Order, (iii) separate descriptions, unit prices and quantities of Products actually delivered, (iv) credits (if applicable), and (v) name (where applicable), title, phone number and complete mailing address of responsible Arqit employee for accounts receivable.
- 8.5. Payment. All payments are due and payable in cleared funds to Arqit's nominated account set out in Arqit's invoice within forty-five (45) days of the invoice date or prior to the start date of Services or Activation Date of the Products (if earlier).
- 8.6. Payment Default. Without limiting Arqit's remedies under the Agreement, if Reseller fails to pay any sum under the Agreement when, then: (a) such unpaid sum shall bear interest at the annual rate of 4% over the base rate of the Bank of England from time to time in force or the maximum amount permitted under Applicable Law. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. Reseller shall pay the interest together with the overdue amount. In addition, Reseller shall upon demand promptly pay, or reimburse Arqit for, all Arqit's costs and expenses (including any external legal costs) incurred in the collection of any overdue and unpaid amounts from Reseller. The payment obligations stated in this Subsection shall survive termination or expiration of the Agreement; and (b) Arqit shall have the right to place Reseller on credit hold and suspend further acceptance of Order including any Purchase Orders from Reseller. Once Reseller's account is brought current, Arqit may require pre-payment or the issuance of Letters of Credit pursuant to Section 8.9 for future Orders from Reseller. Arqit may also immediately terminate or adjust any discounts or other special pricing.
- 8.7. Credits to Reseller/No Deductions From Invoice. If any provisions of this Agreement or any other agreement between Reseller and Arqit require that Arqit grant credits to Reseller's account, Arqit will grant such credits to Reseller's account. Reseller may not issue debit memos to Arqit or otherwise deduct from or offset against any amounts due from Reseller to Arqit.
- 8.8. Security Interest. To secure all obligations of Reseller to Arqit under this Agreement, (a) Reseller hereby grants to Arqit a purchase-money security interest in each Arqit Product (including any accessions, modifications or replacements thereto) purchased by Reseller from Arqit, and in all proceeds obtained by Reseller thereof; and (b) Reseller grants to Arqit a security interest as original collateral in all accounts, chattel paper, instruments, documents, general intangibles, letter of credit rights and other supporting obligations, and all judgments, claims, insurance policies and payments owed or made to Reseller thereon, arising from or related to the sale of Products (including any accessions, modifications or replacements thereto) or Services by Reseller, and in all proceeds of any of the foregoing. Reseller agrees to file such documents, or to assist Arqit in filing such documents, as may be required for Arqit to record or perfect such security interest.
- 8.9. Letters of Credit. Whether or not Reseller is, or ever has been, in default or delinquent in the payment of any invoice(s), and whether or not Arqit is withholding or ever has withheld any shipments, Arqit may, at any time or times, at its sole discretion, require Reseller to establish one or more irrevocable letters of credit (each a "**Letter of Credit**"), each of which: (i) shall be issued (and confirmed, if so required by Arqit) by banks or financial institutions acceptable to Arqit for the total price of any Purchase Orders specified by Arqit; (ii) shall be issued in Arqit's favor at its principal place of business; (iii) shall be stated the same currency used in the Purchase Order; (iv) shall provide for the full payment to Arqit of the invoiced price upon presentation to the issuing (or confirming, as applicable) bank of the invoice, together with, as applicable, a clean bill of lading, airway bill or warehouse or storage receipt; and (v) unless the prior written approval of Arqit has been obtained, has or contains no other conditions or limitations (including time limits) whatsoever. If Arqit does require any such Letter(s) of Credit, Arqit may, in its sole discretion, both decline to accept any new or additional Purchase Orders and, without prejudice to its other rights, withhold shipment (including partial shipment) of any existing Purchase Order(s) until such Letter(s) of Credit has been established as aforesaid.
- 8.10. Taxes. Prices of Products and Services are exclusive of value added tax or other similar sales, duties (including stamp duty), levies, withholding, deduction and/or any other governmental charge or other similar taxes or fees (together "**Taxes**") that are or may become payable in connection with the purchase of Products and/or Services. Reseller's payments to Arqit pursuant to this Agreement may not be reduced to reflect any withholding tax or other tax or mandatory payment to government agencies. When Arqit has the legal obligation to collect Taxes related to any invoice, unless Reseller provides Arqit with a valid and acceptable Tax exemption certificate prior to issuance of said invoice, the appropriate amount shall be added to Reseller's invoice and paid by Reseller. If a tax authority subsequently finds that any Tax payment related to any sale or service to Reseller was insufficient and requires additional payments by Arqit, Arqit will make such payments and Reseller will reimburse Arqit for such additional Tax payments (including any interest, levies, and penalties). Arqit will not be responsible for any Taxes or other amount assessed to Reseller by any government agency based on Reseller's net income, gross revenue, or for any other reason.

## 9. DELIVERY OF PRODUCTS

- 9.1. Activation Dates. The Anticipated Activation Date of the Products or start date of any Services will be established by Arqit upon its acceptance of Purchase Orders from Reseller. Arqit shall not be liable for any damages, direct, consequential, special, punitive, or otherwise, to Reseller or to any other person for Arqit's (i) failure to fill any Orders, (ii) delay in delivery, (iii) error in filling any Orders for any reason whatsoever or (iv) failure to give notice of any delay or error.

## 10. REPORTS AND RECORDS

- 10.1. Record-Keeping and Audits. Reseller shall keep full, true, and accurate records and accounts (collectively, "**Records**"), in accordance with generally-accepted accounting principles, of each Arqit Product and Arqit Service purchased and Resold, including information regarding compliance with Arqit marketing and sales programs, terms of special pricing or discounts provided for a specific End User or purpose, Software usage and transfer, End User names and locations, electronic Enterprise Resource Planning (ERP) records, compliance with applicable anti-corruption laws (including those listed in Section) and exportation of Products. Reseller shall make these records available for audit by Arqit upon thirty (30) days prior written notice, during regular business hours, at those locations where Reseller may maintain relevant records. Reseller shall retain these records for a minimum period of 3 years, or for a longer period if required by law. Reseller shall bear all costs incurred by Arqit in the performance of any audit that discloses any breach of this Agreement. Reseller additionally acknowledges that from time-to-time Arqit or its independent auditors may conduct additional specific audits (each an "**Audit**") with the purpose of monitoring and ensuring compliance by Reseller with Arqit's policies and with Applicable Laws. Such audits may include, without limitation, investigations in order to prevent the acquisition, use, promotion or Resale of Non-Genuine Products and/or Unauthorised Products. If requested, Reseller shall collaborate with Arqit's auditors and provide accurate and truthful information. Reseller agrees to bear, and/or promptly repay to Arqit, all costs, fees and expenses, incurred by Arqit in the performance of any such audit and/or investigation which discloses any breach of this Agreement by Reseller. Reseller acknowledges and accepts that, in addition to the above audit rights, Arqit may directly contact any End Users at any time in order to verify and/or inform such End Users regarding Reseller's or End User's compliance or non-compliance with this Agreement and Arqit's then-current policies.
- 10.2. License Verification. Reseller shall procure that each End User will, for all Products at all sites, environments and for all Licensed Units (as defined in the EULA) retain deployment and usage information (collectively "**Data**") and shall within 30 days of request, provide a report confirming all deployment and usage for the period requested. The report shall be in a form requested by Arqit and, where necessary, Reseller shall procure supporting documentation to confirm the deployment and usage at the relevant sites, environments and Licensed Units. Arqit shall use the Data to (a) improve Product or Software performance or customer experience, or correct information in any Documentation; and/or (b) confirm the Reseller's compliance with the Agreement and End User's compliance with the EULA. Arqit reserves the right to invoice Reseller and Reseller shall pay Arqit's invoice for the charges applicable to any excess use of any Products not in accordance with, or in breach of, the Agreement at Arqit's then current rates, together with any applicable Taxes.

## 11. TERM AND TERMINATION

- 11.1. Term. This Agreement commences on the Effective Date and continues thereafter for one (1) calendar year (the "**Initial Term**"). Thereafter, this Agreement continues for successive one (1) year periods (each, a "**Renewal Term**"), unless (i) either Party provides a written notice of non-renewal to the other Party at least thirty (30) days prior to the end of the then current Initial Term or Renewal Term, as applicable, or (ii) terminated sooner in accordance with the termination provisions of this Agreement. Notwithstanding the foregoing, Arqit may terminate this Agreement for its convenience at any time on 30 days' written notice to Reseller.
- 11.2. Termination with Cause. If either Party defaults in any material respect in the performance of any of its duties or obligations set forth in this Agreement, and such default is not substantially cured within thirty (30) days after written notice is given to the defaulting Party specifying the nature of the default, then the Party not in default may, by giving written notice thereof to the defaulting Party, terminate this Agreement as of the date specified in such notice of termination. Arqit may terminate this Agreement immediately if Reseller breaches Sections 3.1 (Grant of Rights), 3.2 (Reservation of Rights), 3.3 (License Restrictions and Conditions) or 16 (Compliance with Laws). Notwithstanding the foregoing, either Party may terminate this Agreement immediately in the event of breach by the other Party of Section 15 (Confidentiality).

- 11.3. Termination for Insolvency or Bankruptcy. Either Party may immediately terminate this Agreement and any Purchase Order by giving written notice to the other Party in the event of: (i) liquidation or insolvency of the other Party; (ii) appointment of a receiver or similar officer for the other Party; (iii) assignment by the other Party for the benefit of all or substantially all of its creditors; (iv) entry by the other Party into an agreement for the composition, extension or readjustment of all or substantially all of its obligations; or (v) the filing of a meritorious petition in bankruptcy by or against the other Party under any bankruptcy or debtors' law for its relief or reorganization.
- 11.4. Effect of Termination. Upon the termination or expiration of this Agreement,
- (a) Reseller's rights to purchase and Resell the Products and Services shall immediately terminate;
  - (b) Reseller shall immediately cease to represent itself to any Third Parties as an Arqit Reseller, and cease its use any of the Marks;
  - (c) All authorisations and licenses granted by Arqit under this Agreement will immediately terminate and all such rights shall automatically revert to Arqit; provided that, except where termination is for Reseller's non-payment to Arqit, any and all licenses granted by Arqit pursuant to this Agreement will extend to all Products and Services for which Purchase Orders have been accepted by Arqit and for which Products and Services will be delivered post-termination and for all Services which Reseller is in process of performing;
  - (d) If Reseller was providing any Services directly to End Users, Arqit will provide such services to End Users in accordance with Arqit standard support policies or reassign such services to another authorised reseller in the Territory, provided that Reseller pays Arqit or such other authorised reseller all fees paid by End Users to Reseller for the remainder of any subscription or services term; and
  - (e) All outstanding invoices to Reseller for Products and Services shall become due and payable on the effective date of termination or expiration, notwithstanding anything to the contrary.
- 11.5. Post-Termination Liability. Reseller agrees that, in the event of any termination or expiration of the Agreement, it shall have no rights to damages or indemnification of any nature, specifically including commercial severance pay, whether by way of loss or future profits, expenditures for promotion of any product, or other commitments in connection with the business and good will of Reseller. However, neither termination nor expiration will extinguish any liability of either Party arising before termination or expiration of this Agreement, including without limitation for payments due. RESELLER EXPRESSLY WAIVES ANY RIGHT OR CLAIM IT MAY HAVE UNDER THE LAWS OF ANY JURISDICTION TO RECEIVE ANY COMPENSATION OR REPARATIONS UPON TERMINATION OR EXPIRATION OF THIS AGREEMENT BY OPERATION OF LAW OR OTHERWISE FOR SUCH TERMINATION OR EXPIRATION.
- 11.6. Survival. Sections 1 (Definitions), 3.2 (Reservation of Rights), 3.3 (License Restrictions and Conditions), 4 (Trademarks), 10 (Report and Records), 11 (Term and Termination), 12 (Limited Warranty and Warranty Disclaimer), 13 (Infringement), 14 (Limitation of Liability), 15 (Waiver of Consequential Damages), 16 (Confidentiality), 17 (Compliance with Laws) and 18 (General) shall survive expiration or termination of this Agreement.

## 12. LIMITED WARRANTY AND WARRANTY DISCLAIMER

- 12.1. Limited Warranty. The only warranty that Arqit provides with respect to any Products or Services is the written limited warranty statement provided with that Products or Services or outlined in the EULA (the "**Limited Warranty**"). Arqit agrees that Reseller shall be entitled to pass, and Reseller agrees to pass, through to End Users the Limited Warranty with respect to such Products or Services. Arqit reserves the right to refund the purchase price as its exclusive warranty remedy. If there is any inconsistency between this Section 11.1 and the warranties and disclaimers shipped with the Products or outlined in the Limited Warranty, the Limited Warranty shall prevail.

- 12.2. Disclaimer. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EXCEPT FOR THE LIMITED WARRANTY IN SECTION 12.1 ABOVE, THE PRODUCTS, SERVICES AND DOCUMENTATION ARE PROVIDED "AS IS" AND WITH ALL FAULTS AND DEFECTS WITHOUT ANY OTHER WARRANTY OF ANY KIND. TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, ARQIT, ON ITS OWN BEHALF AND ON BEHALF OF ITS AFFILIATES AND ITS AND THEIR RESPECTIVE THIRD PARTY LICENSORS AND SERVICE PROVIDERS, EXPRESSLY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, WITH RESPECT TO THE PRODUCTS, SERVICES AND/OR DOCUMENTATION, INCLUDING ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT, AND WARRANTIES THAT MAY ARISE OUT OF COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE, OR TRADE PRACTICE. WITHOUT LIMITATION TO THE FOREGOING, ARQIT PROVIDES NO WARRANTY OR UNDERTAKING, AND MAKES NO REPRESENTATION OF ANY KIND THAT THE PRODUCTS, DOCUMENTATION OR SERVICES WILL MEET THE RESELLER'S OR END USER'S REQUIREMENTS, ACHIEVE ANY INTENDED RESULTS, BE COMPATIBLE, OR WORK WITH ANY OTHER SOFTWARE, APPLICATIONS, SYSTEMS, OR SERVICES, OPERATE WITHOUT INTERRUPTION, MEET ANY PERFORMANCE OR RELIABILITY STANDARDS OR BE ERROR FREE, OR THAT ANY ERRORS OR DEFECTS CAN OR WILL BE CORRECTED.
- 12.3. No Other Warranty. Except for the Limited Warranty, Reseller shall not make any commitment, warranty or representation, whether written or oral, with respect to Arqit, the Products or the Services. Reseller shall indemnify Arqit for any warranties made in addition to Arqit's standard warranty and for any misrepresentation of Arqit's specifications, functionality, or compatibility of any Arqit Product or Arqit a Service.
- 12.4. Limitations. Arqit shall have no obligation or liability to Reseller and/or End User and the Limited Warranty will apply if any part of the Products (including the Software) or Hardware: (i) has been altered or modified in any way, including the removal or alteration of the original identification marks, except when such alterations or modifications are pre-approved by Arqit in writing; (ii) has not been installed, operated, repaired, or maintained in accordance with the Documentation or any instructions given by Arqit; (iii) has been serviced by parties not trained by or on behalf of Arqit; or (iv) has been subjected to unreasonable physical, thermal or electrical stress, misuse, negligence or accident; or (v) has been used in combination with any hardware, software or service supplied or manufactured by a Third Party; or (vi) has been adapted to meet the Reseller's or an End User's specifications, designs or instructions. In addition, Arqit has not authorized the use of any Products in: (i) the design, construction, operation or maintenance of any nuclear facility; (ii) navigating or operating aircraft; or (iii) operating life-support or life-critical medical equipment; and Arqit disclaims any express or implied warranty of fitness for such uses. Arqit is not responsible for backing up programs and data to protect against loss or corruption. Arqit's warranty obligations do not include any installation support.
- 12.5. Websites. All materials provided on Arqit Websites are provided "AS IS." Arqit does not provide any warranty regarding the accuracy or completeness of any information, links, or other materials included in its Websites or that its Websites are error-free or will operate without problems or interruptions. Reseller acknowledges that Arqit may modify any URL address or terminate the availability of any Arqit Website (in whole or in part) at any address without notice to Reseller.

### 13. INFRINGEMENT

- 13.1. Arqit shall defend and indemnify Reseller against any claim that Arqit proprietary intellectual property in the Products or Documentation as supplied by Arqit infringes or alleges to infringe or misappropriate a Third Party's patent, copyright or other intellectual property right in existence as of the Effective Date in the Territory ("**Claim**"). and shall pay any amounts finally awarded or agreed to in settlement of any such Claim. Arqit's obligation specified in this Subsection will be conditioned on Reseller: (a) giving prompt notice to Arqit in writing of any such Claim or threat thereof; and (b) giving Arqit full and exclusive authority for, and information for and assistance with, the defense and settlement of any Claim.
- 13.2. If a Claim has occurred, or in Arqit's opinion is likely to occur, Reseller agrees to permit Arqit, at its option and expense, either to: (i) procure for Reseller or End User (as applicable) the right to continue using the infringing Arqit Product; or (ii) replace or modify the same so that it becomes non-infringing; or (iii) if, in Arqit's sole opinion, neither of the foregoing alternatives is reasonably available or commercially viable, immediately on written notice (which may be by email) terminate Arqit's obligations and Reseller's (and any End User's) rights under this Agreement with regard to such Arqit Product, whereupon the right to use the relevant Arqit Product will terminate and Reseller shall be entitled to a pro rata refund of the applicable subscription price (in respect of subscription-based Products) or pro rata portion of the license fee and any corresponding maintenance fee (in respect of Products subject to a perpetual license and a corresponding maintenance contract (if any)) actually paid by Reseller and received by Arqit for the relevant Products and/or Services not yet received or used by Reseller (or End User) as at the date of termination.

- 13.3. Notwithstanding the foregoing, Arqit shall have no indemnification or other obligations as set forth in this Section 13 with respect to any of the foregoing:
- (a) any Claim arising in whole or in part as a result of the limitations set out in Subsection 12.2 (Limitations) above;
  - (b) any Claim asserted against an Arqit Product or any Arqit Service related to an Arqit Product if the Arqit Product that is the subject of such Claim was initially made available by Arqit more than five (5) years prior to the date when Arqit received notice of such Claim;
  - (c) any Claim based upon Resale or other distribution of any Arqit Product after Arqit has informed Reseller of an alternative Arqit Product (“**Replacement Product**”) or a software or hardware modification, update, upgrade or change to an Arqit Product (“**Arqit Upgrade**”) or a failure to promptly implement an update or modification to the Products (e.g., Updates or Software Releases) provided by Arqit. This exclusion shall only apply to the extent such Claim would have been avoided by providing or implementing such Replacement Product or Arqit Upgrade;
  - (d) use of the Products in a manner other than as specified in the Documentation or any continued use of the relevant Arqit Product in contravention of the EULA.
- 13.4. THE FOREGOING STATES THE ENTIRE OBLIGATION OF ARQIT AND ITS SUPPLIERS, AND THE EXCLUSIVE REMEDY OF RESELLER, WITH RESPECT TO INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS. THE FOREGOING IS GIVEN TO RESELLER SOLELY FOR ITS BENEFIT AND IN LIEU OF, AND ARQIT DISCLAIMS, ALL WARRANTIES OF NON-INFRINGEMENT. ARQIT SHALL NOT BE OBLIGATED OR RESPONSIBLE FOR ANY SETTLEMENT ENTERED INTO OR DAMAGES ARISING FROM ADMISSIONS BY THE RESELLER OR THE END USER WITHOUT ARQIT’S PRIOR WRITTEN CONSENT.
- 13.5. Obligations of Reseller. From the date in which Arqit informs Reseller of an Arqit Replacement Product or an Arqit Upgrade pursuant to Section 13.3(c), Reseller agrees to: (i) sell, offer to sell, transfer or otherwise distribute only such Arqit Replacement Product or such Arqit Product with the Arqit Upgrade to its End Users and (ii) not sell, offer to sell, transfer or otherwise distribute such Arqit Product that Arqit has informed Reseller as being replaced by such Arqit Replacement Product or as being subject to an Arqit Upgrade, in each case of subclauses (i) and (ii) other than Products already in transit to the End User at the time Arqit informs Reseller. Reseller will defend Arqit and its affiliates from and against any Claim brought by a third party against Arqit or one of its affiliates and will pay any amounts finally awarded, or agreed to in settlement, arising out of the breach by Reseller of its obligations under this Section 12.5.
- 13.6. Use of Third-Party Software / Products / Applicable Terms. For non-Arqit branded products and/or software or services delivered in connection with Arqit’s Products and/or Services, such Third-Party products and/or services shall be separately governed and licensed by the applicable Third-Party product and/or services terms and conditions. Such Third-Party terms and conditions shall supersede the terms of this Agreement for non-Arqit branded products and/or services or as otherwise stated in any Software. For the avoidance of doubt, the Third-Party supplier of non-Arqit branded products and services or Third Party licensor of Software shall be solely responsible for support, warranties, indemnities and other terms and conditions applicable to such products and services. To the extent that Arqit has embedded any Third-Party software or components in any Products or they form any part of the Services, that Third Party licensor may enforce its license rights against Reseller or End User (as appropriate). Any breach of any Third-Party licenses shall also be a breach of this Agreement.

#### 14. LIMITATION OF LIABILITY

- 14.1. SUBJECT TO SECTION 14.2, AND NOTWITHSTANDING ANYTHING ELSE HEREIN, ALL LIABILITY OF ARQIT AND ITS SUPPLIERS FOR CLAIMS ARISING UNDER THIS AGREEMENT OR OTHERWISE SHALL BE LIMITED TO THE MONEY ACTUALLY PAID BY RESELLER TO ARQIT FOR PRODUCTS AND SERVICES UNDER THIS AGREEMENT DURING THE THREE (3) MONTH PERIOD IMMEDIATELY PRECEDING THE DATE IN WHICH THE CAUSE OF ACTION OCCURRED. THIS LIMITATION OF LIABILITY IS CUMULATIVE AND NOT PER-INCIDENT.
- 14.2. THE EXCLUSIONS AND LIMITATIONS SET OUT IN THE FOREGOING SECTION AND THIS AGREEMENT SHALL NOT SEEK TO EXCLUDE OR LIMIT ARQIT’S OR ITS AFFILIATE’S LIABILITY FOR: (A) DEATH OR PERSONAL INJURY OR LOSS OR DAMAGE FOR WHICH LIABILITY CANNOT BE LIMITED OR EXCLUDED BY LAW; OR (B) FRAUD OR FRAUDULENT MISREPRESENTATION; OR (C) ANY OTHER LIABILITY THAT CANNOT BE LIMITED UNDER APPLICABLE LAW.

## 15. WAIVER OF CONSEQUENTIAL DAMAGES

- 15.1. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL ARQIT OR ITS AFFILIATES, OR ANY OF ITS OR THEIR RESPECTIVE SUPPLIERS OR THIRD PARTY LICENSORS OR SERVICE PROVIDERS BE LIABLE FOR ANY INCIDENTAL, EXEMPLARY, SPECIAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES, LOST REVENUE, LOST PROFITS, LOST OR DAMAGED DATA, INTERRUPTION OF BUSINESS, LOST OPPORTUNITY, LOSS OF GOODWILL OR LOSS OF REPUTATION, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE, EVEN IF ARQIT OR ITS AFFILIATES, OR ANY OF ITS OR THEIR RESPECTIVE SUPPLIERS OR THIRD PARTY LICENSORS HAVE BEEN ADVISED OF THE POSSIBILITY THEREOF. THESE LIMITATIONS SHALL APPLY UNDER ANY THEORY OF LIABILITY, INCLUDING, WITHOUT LIMITATION, THOSE RESULTING FROM THE USE OF ANY PRODUCTS AND/OR SERVICES PURCHASED, OR THE FAILURE SUCH PRODUCTS OR SERVICES TO PERFORM, OR FOR ANY OTHER REASON, AND SHALL APPLY NOTWITHSTANDING THE FAILURE OF THE ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

## 16. CONFIDENTIALITY

- 16.1. Each Party shall at all times, during the term of this Agreement and for a period of at least three (3) years after its termination, maintain in the strictest confidence and trust all such Confidential Information and shall not use such Confidential Information other than in the course of its duties and as expressly authorised by the other Party under this Agreement, nor shall either Party disclose any such Confidential Information to any Third Party without the other Party's prior written consent. With respect to Confidential Information that is a trade secret, the obligations under this Agreement shall continue for so long as that information remains eligible for protection as a trade secret under Applicable Laws.
- 16.2. Each Party may disclose such Confidential Information to its employees, contractors and subcontractors who have a need to know such information in connection with the performance of such Party's duties under this Agreement; provided, that each Party shall appropriately bind each of its employees, contractors and subcontractors to whom such disclosure is made, to hold the Confidential Information in strict confidence and not to disclose such information to any person other than as is necessary in the course of its performance of the relevant Party's duties pursuant to this Agreement. Each Party will indemnify the other Party for all damages suffered by such Party in the event of wrongful disclosure of such Confidential Information. Each Party shall remain solely liable for any breach of this Section by its respective employees, contractors and/or subcontractors to whom it has disclosed any Confidential Information.
- 16.3. The obligation of confidentiality under this Section 16 shall not apply to Confidential Information that is:
- (a) was rightfully in possession of or known to such Party without any obligation of confidentiality prior to receiving it from the other Party;
  - (b) is, or subsequently becomes, legally and publicly available without breach of this Agreement;
  - (c) is rightfully obtained by such Party from a source other than the other Party without any obligation of confidentiality;
  - (d) is developed by or for such Party without use of the Confidential Information of the other Party and such independent development can be shown by documentary evidence; and
  - (e) becomes available to such Party by wholly lawful inspection or analysis of products offered for sale. Further, such Party may only disclose Confidential Information pursuant to a valid order issued by a court or government agency, provided that such Party provides the other Party: (i) prior written notice of such obligation; and (ii) the opportunity to oppose such disclosure or obtain a protective order.
- 16.4. Either Party that has during the course of the Agreement received Confidential Information in a recorded form from the other Party (or has recorded received Confidential Information) shall return or destroy (at the option of the other Party) such records upon the other Party's written request.

## 17. PROTECTION AND PROCESSING OF PERSONAL DATA

- 17.1. To the extent that either Party processes personal data (within the meaning of Data Protection Legislation) in the performance of this Agreement, including any obligation to share personal data with the other Party, and to the extent required under Data Protection Legislation, the Parties shall enter into separate data sharing arrangements to set out the terms on which any such personal data is shared or otherwise processed between them ("**Data Sharing Agreement**") and the terms of any such Data Sharing Agreement (as updated, amended or replaced from time to time during the Term) shall be deemed incorporated into and to form a part of this Agreement, as if they were set out in the body of this Agreement.
- 17.2. Each Party shall, at its own expense, ensure that it complies, and assists the other Party to comply, with the requirements of all Applicable Laws of either Party, in force from time to time relating to the use of personal data and the privacy of electronic communications, including the Data Protection Legislation.

## 18. COMPLIANCE WITH LAWS

- 18.1. Governmental Approvals. Reseller represents and warrants that it (i) has, and at all times during the term of this Agreement, will comply with all applicable federal, state and local laws, ordinances, codes, regulations, rules, policies, licensing requirements, regulations and procedures, including without limitation, such laws and regulations related to recycling or take-back programs for packaging, Resale or use of Products, environmental laws and regulations, the use of Products under telecommunications laws, regulations or anti-bribery laws, including the U.S. Foreign Corrupt Practices Act (collectively, "**Applicable Laws**") and (ii) has obtained all approvals, made all filings, completed all registrations, obtained all licenses and permits and given all notices, whatsoever, as may be required to enter into this Agreement, conduct all its activities in all countries/jurisdictions comprising the Territory as contemplated herein and make all payments to Arqit as and when set out in this Agreement (herein, collectively, "**Governmental Approvals**") and all of which Reseller shall retain or maintain in full force and effect, without amendment, change or alteration, at all times, except as may be required by law, policy or regulation, in order to retain or maintain the same. Any failure by Reseller to obtain or maintain any such Governmental Approvals for the payment to Arqit shall not release Reseller of its obligations hereunder.
- 18.2. Export Sales and Export Controls.
- (a) Reseller acknowledges that the Products, Services and technology or direct products thereof it may purchase and/or Resell under this Agreement are subject to UK and/or United States (U.S.) export control laws. Reseller shall comply with such laws and regulations governing use, export, re-export, and transfer of Products, Services and any technology and will obtain all required UK or U.S. and local authorisations, permits, or licenses. Arqit and Reseller each agree to promptly provide the other such information and assistance as may reasonably be required by the other in connection with securing such authorisations and licenses, and to take timely action to obtain all required support documentation.
  - (b) Reseller hereby certifies that none of the Products, Services or technical data supplied by Arqit under this Agreement will be sold or otherwise transferred to, or made available for use by or for, any of the following without first obtaining U.S. government authorization and specific approval from Arqit: (i) any country or region listed in Country Group E at Supplement No. 1 to Part 740 of the Export Administration Regulations (EAR) or subject to comprehensive U.S. trade sanctions by the U.S. Office of Foreign Assets Control, (ii) any person or entity that is engaged in activity requiring authorization pursuant to Part 744 of the EAR (e.g., certain activities related to military, nuclear, missiles, or biological or chemical weapons), or (iii) any individual, entity or organisation identified as a sanctioned party on any list maintained and published by the United Kingdom Foreign, Commonwealth and Development Office or the U.S. Department of Treasury, Office of Foreign Asset Control, or on any similar list of sanctioned parties published by an agency of the United Kingdom, the US or any member country of the EU; or (iv) an entity or organisation 50% or more controlled, directly or indirectly, by a party so listed.
  - (c) Reseller agrees to maintain full, true and accurate records of exports, re-exports and transfers of the Products, Services and technology, purchased and deployed or distributed, according to Applicable Laws for at least five (5) years following the date of any such export, re-export, or transfer.
  - (d) Upon request, Reseller agrees to obtain and provide to Arqit any end-user certification required by Arqit in order to address trade compliance concerns.
- 18.3. Anti-Corruption Compliance.



- (a) The parties each acknowledge that they are subject to the provisions of the United Kingdom Bribery Act of 2010 and the FCPA, as well as other applicable anti-corruption laws and regulations. These laws and regulations prohibit the offer or promise of anything of value, either directly or indirectly, to an official of a foreign government, foreign political party, party official or candidate for foreign office, for the purpose of influencing any act or decision in their official capacity, or inducing that official to use his or her influence with a foreign government to assist a party in obtaining, retaining or directing business to any person, or in obtaining, retaining or directing business to any person, or in securing any improper business advantage. Each Party agrees that it will not take any action that could cause the other to be in violation of the United Kingdom Bribery Act of 2010 or the FCPA or any other applicable anti-corruption law or regulation. Improper payments, provisions, bribes, kickbacks, influence payments, or other unlawful provisions to any person are prohibited under this Agreement.
  - (b) Reseller understands that Arqit may immediately suspend payment, in its sole discretion and without notice, if the actions or inactions of Reseller become subject to an investigation, formal or informal, regarding potential violations of applicable anti-corruption laws and regulations. Moreover, Reseller understands that if Arqit determines that Reseller failed to comply with the provisions of any applicable anti-corruption laws and regulations, Arqit may immediately terminate this Agreement and any payments due thereunder, in its sole discretion and without notice.
  - (c) Reseller warrants that all persons acting on its behalf will comply with all applicable laws in connection with all work on behalf of Arqit, including but not limited to the anti-corruption laws if any, prevailing in the country(ies) in which Reseller has its principal places of business, performs work on behalf of Arqit and the Territory. Upon request by Arqit, Reseller will require that its subcontractors, consultants, agents and/or representatives execute a written FCPA compliance statement containing similar representations that are contained in this Section.
  - (d) Reseller further warrants and represents that should it learn or have reason to suspect any breach of the covenants in this Section, it will immediately notify Arqit.
- 18.4. Federal Procurement Compliance. For all Federal Public Section Sales, including indirect sales through additional sales channels, Reseller warrants that it is in full compliance with all Federal procurement laws and regulations, including but not limited to those set forth in FAR part 3 and FAR part 9. Reseller further warrants that it will immediately notify Arqit in the event Reseller receives notification that it is not in compliance with all applicable Federal procurement laws and regulations, or in the event Reseller receives credible evidence questioning Reseller's compliance with such laws and regulations, or that any governmental entity is investigating, formally or informally, Reseller's compliance with such laws and regulations.
- 18.5. Partner Code of Conduct. Reseller shall comply with, and shall on request, acknowledge in writing that it has accepted and complied with, Arqit's Partner Code of Ethics and Business Conduct. Arqit reserves the right to update its Partner Code of Ethics and Business Conduct at any time. Reseller should consult Arqit's website and/or the Arqit partner portal for the latest version of this document.
- 19. GENERAL**
- 19.1. Performance of Reseller. Reseller agrees that it will at no time do, cause or permit to be done, published or said any information, act or thing which is or may be detrimental to the best interests or the business reputation of Arqit. This provision shall survive the expiration or termination of this Agreement.
- 19.2. Governing Law and Jurisdiction. This Agreement and any non-contractual obligations arising out of or in connection with it shall be interpreted and governed by the laws of England and Wales and the parties irrevocably agree to submit to the non-exclusive jurisdiction of the courts of England and Wales in relation to any dispute, claim or matter arising under or in connection therewith.
- 19.3. Notices. All notices under the Agreement must be in writing and sent to the business address and for the attention of the persons set out in the signature page to this Agreement unless a Party designates in writing a different person and/or address. :

Any notice shall be deemed to have been received (i) if delivered by hand, at the time the notice is left at the proper address if during business hours of the recipient (being 9:00am to 5:00 pm on a working day in the recipient's jurisdiction), or at 9:00 am local time of the recipient on the next working day if outside business hours; or (ii) if sent by courier, the time and date as recorded by the courier; or (iii) if sent by certified or registered mail (postage pre-paid) on the fifth (5<sup>th</sup>) working day after mailing (based on the working day of the recipient); or (iv) if sent by email, at 9:00 am (local time of the recipient) on the next working day after sending and provided that any notices given in relation to termination are accompanied by a confirmatory copy that is sent by hand or certified or registered mail (postage pre-paid). The Parties consent to the use of electronic means for communications as being "in writing", but not in respect of the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

- 19.4. Injunctive Relief. Either Party may seek interim injunctive relief in any court of appropriate jurisdiction with respect to any alleged breach of such Party's proprietary rights. The parties specifically disclaim the application of the UN Convention on Contracts for the International Sale of Goods to the interpretation or enforcement of this Agreement.
- 19.5. Force Majeure. A Party whose performance is prevented, restricted or interfered with by reason of a Force Majeure (as defined below) (other than obligations to pay monies due and owing to Arqit by Reseller) shall be excused from such performance to the extent of such Force Majeure condition so long as such Party provides the other Party with prompt written notice describing the Force Majeure condition and immediately continues performance whenever and to the extent such causes are removed. If, due to a Force Majeure, the scheduled time of delivery of performance is or will be delayed for more than ninety (90) days after the scheduled date, the Party not relying upon the Force Majeure condition may terminate, without liability to the other Party, any purchase order or portion thereof covering the delayed Products and/or Services. The term "Force Majeure" shall be defined to include fires or other casualties or accidents, acts of God, shortages of supplies, severe weather conditions, strikes or labour disputes, war or other violence, or any law, order, proclamation, regulation, ordinance, demand or requirement of any governmental agency.
- 19.6. Assignment. Neither this Agreement, nor any rights under this Agreement, may be assigned by operation of law or otherwise by Reseller without the express prior written consent of Arqit, which it may withhold in its sole discretion. Arqit may require the execution of an Assignment Agreement acceptable to Arqit prior to providing any such consent. Any attempted assignment in violation of the preceding sentence shall immediately and automatically terminate this Agreement and be without legal effect. Arqit shall be entitled to assign, charge, subcontract, delegate or deal in any other manner with all or any of its rights and/or obligations under this Agreement, without restriction to any Affiliate, subsidiary, or other third party or parties at any time. Subject to the foregoing, this Agreement shall bind and inure to the benefit of the successors and permitted assigns of the Parties.
- 19.7. Expenses. Any and all expenses, costs and charges incurred by Reseller in the performance of its obligations under this Agreement shall be borne and paid by Reseller.
- 19.8. Severability. In the event that any one or more provisions contained herein shall be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired.
- 19.9. Rights and remedies. Except as expressly provided in the Agreement, the rights and remedies provided under the Agreement are cumulative and in addition to, and not exclusive of, any other rights or remedies provided by law.
- 19.10. Waiver. A waiver of any right or remedy is only effective if given in writing and shall not be deemed a waiver of any subsequent right or remedy. A delay or failure to exercise, or the single or partial exercise of, any right or remedy shall not waive that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy.
- 19.11. No Third-Party Beneficiaries. With the exception of any of Arqit's and its Affiliate's Third Party licensor's rights in the Software and/or Products, a person who is not a Party to the Agreement may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.
- 19.12. Non-Exclusive Market and Purchase Rights. It is expressly understood and agreed that this Agreement does not grant Arqit or Reseller an exclusive right to purchase or sell any products or services and shall not prevent either Party from developing or acquiring or selling competing products or services of other vendors or customers.
- 19.13. Choice of Language. The original of this Agreement has been written in English, which will be the controlling language in all respects. Any translations into any other language are for reference only and will have no legal or other effect.

- 19.14. Counterparts. Transaction Document(s) forming the Agreement may be executed in any number of counterparts or duplicates (including via electronic signature) each of which shall be deemed to be an original of the Agreement and which together shall constitute one and the same agreement. Copies of the signature pages of any Order and/or Transaction Document transmitted by reliable means including electronically (for example in either Tagged Image Format Files (TIFF) or Portable Document Format (PDF) or facsimile) shall be treated as originals, fully binding and with full legal force and effect.
- 19.15. Enforceability. Reseller agrees that the electronic mail address it has provided corresponds to a person that has the capacity and authority to execute this Agreement and any amendments on behalf of Reseller. Reseller and Arqit each waive any defense to the validity or enforceability of this Agreement arising from the electronic submission and electronic acceptance of this Agreement by Reseller. If Reseller requires a physical document evidencing the Agreement, Reseller may print the accepted Agreement.
- 19.16. Variation. No variation of this Agreement shall be effective unless it is in writing and signed by the Parties (or their authorised representatives). For the avoidance of doubt, no additional term or condition added in a purchase order issued by the Reseller can conflict with or diminish a term or condition of the Agreement. Terms and conditions on any purchase order issued by the Reseller hereunder will have no force and effect.
- 19.17. Non-Solicit. During the Term and for a period of one (1) year following termination, Reseller will not, without prior written consent of Arqit, hire or attempt to hire any current or former employee of Arqit or its Affiliates, who is or was involved in the management and/or performance of this Agreement and the Services or supply of the Products to the Reseller or an End User.
- 19.18. No partnership or agency. Nothing in the Agreement is intended to, or shall be deemed to, establish any partnership or joint venture, franchise, agency relationship or business opportunity between any of the Parties, constitute any Party the agent of another Party, or authorise any Party to make or enter into any commitments, express or implied, for or on behalf of any other Party. Each Party confirms it is acting on its own behalf and not for the benefit of any other person. Furthermore, no labour relationship between Arqit and Reseller employees is created hereby. Under no circumstances shall any employee, agent or contract of one Party be deemed to be the employee of the other for any purpose. Reseller shall indemnify and hold Arqit harmless against any claim or judicial action whatsoever from any Reseller employee.
- 19.19. URLs. Reseller hereby confirms that it has the ability to access and has read and agreed to the information made available by Arqit on its Websites referred to anywhere within this Agreement. Reseller acknowledges that Arqit may modify any URL address or the availability of any information at any address from time to time and without notice.
- 19.20. Entitlement. Reseller acknowledges that Arqit has the right to verify an End User's entitlement to receipt of the Products and/or Services, and that End Users are entitled to receive Services only for Products for which Arqit has been paid the applicable license and fees.
- 19.21. Publicity. Except as may be expressly provided in this Agreement, neither Arqit nor Reseller will issue press releases or make other public announcements that identify Reseller as an authorised or registered Reseller without the express written consent of the other Party. In addition, Reseller shall at no time (nor cause any third party to) take any action, publish or otherwise communicate anything that is or may be detrimental to the business reputation of Arqit. Notwithstanding the foregoing, it is the joint intention of the parties to issue a press release in relation to the signing of this Agreement.
- 19.22. Privacy. Reseller acknowledges that to the extent Arqit collects or processes personal data from Reseller, including that of Reseller's personnel to provide the services, Arqit does so in accordance with Arqit's privacy policy available at: <https://ir.arqit.uk/privacy-policy>, as updated by Arqit from time to time. Arqit uses personal data from Reseller only in connection with the administration of the Agreement and in providing any sales, service or support for Reseller. Reseller represents and warrants that it has the right to disclose such personal data to Arqit including any notice and consents necessary for Arqit to process such data as set forth herein. If requested by Arqit, Reseller and Arqit shall sign a separate data protection agreement to set out the obligations of each in respect of the processing of any personal data pursuant to this Agreement.

[SCHEDULES TO FOLLOW]

## PART A: COUNTRY SPECIFIC TERMS

Where this Agreement is stated to be made between the Reseller and Arqit, Inc., the following text shall replace the relevant sections of this Agreement:

Section #	Replacement Term
8.6	<p><u>Payment Default.</u> Without limiting Arqit's remedies under the Agreement, if Reseller fails to pay any sum under the Agreement when, then: (a) such unpaid sum shall bear interest at the rate of 1.5% monthly (18% per annum), or the maximum rate allowed by Applicable Law. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. Reseller shall pay the interest together with the overdue amount. In addition, Reseller shall upon demand promptly pay, or reimburse Arqit for, all Arqit's costs and expenses (including any external legal costs) incurred in the collection of any overdue and unpaid amounts from Reseller. The payment obligations stated in this Subsection shall survive termination or expiration of the Agreement; and (b) Arqit shall have the right to place Reseller on credit hold and suspend further acceptance of Order including any Purchase Orders from Reseller. Once Reseller's account is brought current, Arqit may require pre-payment or the issuance of Letters of Credit pursuant to Section 8.9 for future Orders from Reseller. Arqit may also immediately terminate or adjust any discounts or other special pricing.</p>
18.2	<p><u>Governing Law.</u> The Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Delaware.</p> <p><u>Jurisdiction.</u> Each of the Parties agrees that all actions or proceedings arising out of or in connection with the Agreement, or for recognition and enforcement of any judgment arising out of or in connection with the Agreement, shall be tried and determined exclusively in the state or federal courts in the State of Delaware, and each of the Parties hereby irrevocably submits with regard to any such action or proceeding, to the exclusive jurisdiction of the aforesaid courts. Each of the Parties hereby expressly waives any objection based on improper venue or forum non conveniens.</p>
18.11	<p><u>No Third-Party Beneficiaries.</u> With the exception of any of Arqit's Third Party licensor's rights in the Software and/or Products, the Agreement is for the sole benefit of the Parties and their respective successors and permitted assigns and nothing therein, express or implied, is intended to or shall confer on any other Person any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of the Agreement.</p>