General Conditions for the Supply of Goods to Telefónica S.A. and Corporations from its Group

Procurement Policy (MCT.NI.003)

Telefónica, S.A.
Edition 10 - May 2018

This document has been prepared in both Spanish and English. In the event of any inconsistency, the Spanish version shall prevail for its interpretation.
INDEX

1. SCOPE OF APPLICATION AND INTERVENING PARTIES
   1.1. APPLICATION SCOPE
   1.2. INTERVENING PARTIES
      1.2.1. Telefónica
      1.2.2. The supplier

2. REQUEST FOR OFFERS

3. OFFERS
   3.1. REQUIREMENTS
   3.2. PRICE OF THE OFFER
   3.3. GOODS WARRANTY

4. CONTRACT FORMALIZATION

5. GUARRANTIES
   5.1. PROVISIONAL BOND
   5.2. DEFINITIVE BOND

6. SUPPLY CONDITIONS
   6.1. PROGRAMMING, DELIVER PERIODS AND PENALTIES
   6.2. PACKAGING, PACKING OR CONDITIONING OF MERCHANDISE FOR DISTRIBUTION, TRANSPORTATION AND STORAGE
   6.3. USE OF TELEFÓNICA’S ASSETS
   6.4. DELIVERY LOCATION
   6.5. DELIVER OF GOODS
   6.6. QUALITY
      6.6.1. General considerations
6.6.2. Verification

6.6.3. Costs

6.7. RISKS

6.8. MANAGEMENT OF WASTE FROM ELECTRICAL AND ELECTRONIC DEVICES

7. ASSIGNMENT AND SUB-CONTRACTING

8. LICENSE, PERMISSIONS AND OTHER EXPENSES DERIVED FROM THE CONTRACT

9. CONFIDENTIALITY AND DATA PROTECTION

9.1. CONFIDENTIALITY

9.2. DATA PROTECTION

10. INTELLECTUAL AND INDUSTRIAL PROPERTY

11. CORPORATE, LABOR AND ENVIRONMENTAL OBLIGATIONS

12. ANTICORRUPTION OBLIGATIONS

13. ECONOMIC AND TAX CONDITIONS

13.1. PRICE

13.2. BILLING

13.3. TERM AND PAYMENT METHOD

13.4. SET OFF AND ASSIGNMENT OF CREDITS

13.5. TAXES
14. USE OF ELECTRONIC COMMERCE TOOLS AND REGISTRATION WITH THE REGISTRY OF ACCREDITED COMPANIES

15. LIABILITY

16. CONTRACT TERMINATION

17. EXCLUSIVITY

18. CONTRACT AMENDMENTS

19. NOTIFICATIONS

20. NORMATIVE REFERENCES

21. JURISDICTION

ANNEXES

ANNEX I: PERSONAL DATA PROTECTION AGREEMENT
1. **SCOPE OF APPLICATION AND INTERVENING PARTIES**

1.1. **APPLICATION SCOPE**

Telefónica, S.A., in its role as parent company in the Group, is responsible for establishing the bases, instruments and mechanisms needed for an appropriate and efficient coordination between this Company and the other group companies; this remains without prejudice to and not undermine the autonomous decision making capability that corresponds to each of these companies, in accordance with their own corporate purpose of each of them and the fiduciary duties that the members of their Boards of Directors have with regard to their shareholders.

This document lists the specifications of the **GENERAL CONDITIONS** (hereinafter **THE GENERAL CONDITIONS**) that **TELEFÓNICA S.A. AND ITS GROUP CORPORATIONS** (hereinafter **TELEFÓNICA**) will apply to the acquisitions and supplies of goods and, where appropriate, its installations, as long as they are not substituted by subsequent terms and conditions.

In the case that there is any discrepancy between **THE GENERAL CONDITIONS** and the particular conditions document included in the award letter through which **TELEFÓNICA** awards the **SUPPLIER** the corresponding delivery(ies) of good(s), and as the case may be, their installation, and/or the **CONTRACT** (henceforth, **THE CONTRACT**), and/or the terms of the **ORDERS**, and/or the **SPECIFICATIONS** attached as an annex to the particular conditions document included in the award letter (all of them together known henceforth as **THE PARTICULAR CONDITIONS**), the **PARTICULAR CONDITIONS** shall prevail over **THE GENERAL CONDITIONS** according to their order of precedence considered further ahead.

Notwithstanding the aforementioned, throughout the present document some clauses of the **GENERAL CONDITIONS** are expressly established to prevail over the **PARTICULAR CONDITIONS**, considering for this matter no agreement whatsoever to the contrary.

Furthermore, in the case that the supply also considers the provision of a specific service or services related to the supplied goods, **THE GENERAL CONDITIONS** for the Provision of Services to **TELEFÓNICA** will be applicable to said services.
The mere acceptance of the **GENERAL CONDITIONS** through the checking of the corresponding checkbox by the **SUPPLIER** on the **TELEFÓNICA** electronic platform enabled for said purpose, will imply the complete validity of said **GENERAL CONDITIONS** as a binding contract between **TELEFÓNICA** and the **SUPPLIER**, without the **SUPPLIER** being able to claim at any time in the future after the contracting that it was not aware of said fact, or that there was a lack of consent by it of any kind whatsoever.

The present clause 1.1 may not be subject to modification by the **PARTICULAR CONDITIONS**.

### 1.2. INTERVENING PARTIES

#### 1.2.1 **TELEFÓNICA**

As it has been stated, through this denomination we refer to **TELEFÓNICA** or to any of the corporations of Grupo Telefónica (hereinafter **THE GROUP**).

For the aforementioned purpose, a **GROUP** Corporation is understood as any entity in which **TELEFÓNICA**, whether directly or through another corporation of **THE GROUP**:

- **a)** Owns at least 50% of the share capital;

- **b)** Has the power to appoint or remove the majority of the members of the management body, or can avail itself of the majority of voting rights by virtue of agreements entered into with the other shareholders, or

- **c)** Has control of the management as a result of rights, agreements or other means which confer the possibility of exerting a decisive influence on Supplier's business activity.

#### 1.2.2 **THE SUPPLIER**

**I. SUPPLIER** is understood as the individual or legal entity, constituted in accordance with the law which, by virtue of **THE CONTRACT** formalized as indicated in Condition 4, assumes before **TELEFÓNICA**, all of the rights and obligations derived from it.
Unless otherwise agreed, when TELEFÓNICA jointly awards the same type of supply to two or more individuals or legal entities, these will be jointly and severally liable regardless of the possible signed agreements between them.

THE SUPPLIER will communicate to TELEFÓNICA the name of the person or persons designated for representing it with sufficient legal capacity for undertaking for the compliance of the contractual obligations, presenting the supporting documents for such purpose.

THE SUPPLIER, in order to be enabled as such, should have the capacity to fulfill the obligations derived from this document. Specifically, THE SUPPLIER undertakes to maintain during the validity of the contractual relationship, an adequate position of economic, financial, technical and professional solvency. In order to verify this measure, the following conditions will be applicable to THE SUPPLIER:

a. THE SUPPLIER undertakes that at the time of the bidding and the awarding of THE CONTRACT it, as well as its parent company or any of the corporations belonging to its business group, are current on the payment of all of their obligations with TELEFÓNICA as well as with any of the companies from THE GROUP.

b. TELEFÓNICA may, at their discretion, assess the position of economic and financial solvency of THE SUPPLIER using as a basis the standardized information provided by some of the main reference companies and with acknowledged prestige in the market in the provision of commercial, financial and market information. It will be considered that THE SUPPLIER is solvent when it obtains a qualification that does not imply a "mid-high" degree of risk or greater (or of equivalent terms according to the terminology used by such financial qualification companies).

c. In the case that, at any time the credit qualification of THE SUPPLIER is negatively affected, TELEFÓNICA, at its own discretion, may:

i. Require from THE SUPPLIER an increase in the amount of Definitive Bonds required in accordance with point 5.2;
ii. Require from THE SUPPLIER the posting of a bond, if it had not been required; or

iii. Terminate THE CONTRACT.

d. If TELEFÓNICA decides to require an increasement of the amount of the existing Definitive Deposit or the establishment of a deposit, when it has not previously been required, such requirements will be governed by this document. Such amount to be increased or established shall be specified by TELEFÓNICA in proportion to the price and the level of risk.

e. If, on the other hand, TELEFÓNICA decided to terminate THE CONTRACT, it will communicate to THE SUPPLIER the termination of the contract through the method it deems appropriate. Under no concept, will the termination imply compensation and/or indemnity of any nature in favor of THE SUPPLIER, who is deem to be aware and accept.

II. On the other hand, THE SUPPLIER, whether it is an individual or a legal entity, may not contract with TELEFÓNICA when any of the following circumstances concur:

a) Having been condemned through a judgment for conspiracy, corruption in international economic transactions, influence peddling, Bribery, fraud and illegal charges, crimes against the Public Treasury and Social Security, crimes against worker rights, embezzlement and receiving stolen goods and similar conduct, crimes related to the protection of the environment, or the penalty of special disqualification for exercising a profession, trade, industry or commerce. The prohibition of contracting extends to legal entities whose administrators or representatives, whose position or representation is currently in force, are in the aforementioned situation for actions performed on behalf or in benefit of such legal entities, or on whom the conditions, qualities or relationships concur that are required by the corresponding criminal figure in order to be a perpetrator.

b) Having requested the declaration of bankruptcy, been declared insolvent in any proceeding, having been declared bankrupt, being subject to judicial intervention or having been disqualified in accordance with Law 22/2003, of July 9 (RCL 2003, 1748) - or by
the applicable law- on Bankruptcy, without the disqualification period being set in the bankruptcy qualification sentence.

c) Having Executive Judgments lobbied or preventive Embargos decreed against them or other precautionary means which make manifest their financial difficulties in handling the normal fulfillment of their obligations.

d) Having been sanctioned for serious infringement of market discipline, professional conduct work integration, equal opportunities and nondiscrimination of disabled persons, or for very serious infringement in the social field, including Occupational Risks Prevention or in the environmental field.

e) Being behind on the fulfillment of tax obligations or Social Security imposed by current provisions.

f) Not being registered with the administrative registries that are required based on the purpose of the contracted supply.

Also, it will be considered that THE SUPPLIER is incurred in the proceedings described in sections a) through f), when these concur in its parent company, in another company from the same business group, in any of the business ventures or groupings that it is a part of, or in any of its providers or SUBCONTRACTORS who play an important role in the fulfillment of THE CONTRACTS included in the application scope of THE GENERAL CONDITIONS. If any of these circumstances arose during the contractual relationship, this will be a motive for resolving THE CONTRACT.

This section II (situations where the SUPPLIER will not be able to contract with TELEFÓNICA) of the present clause 1.2.2 may not be subject to modification by the PARTICULAR CONDITIONS.

2. REQUEST FOR OFFERS

TELEFÓNICA, will determine in the offer request (hereinafter THE REQUEST) THE SPECIFIC CONDITIONS or requirements complementary to these GENERAL CONDITIONS.
The technical specifications, for quality assurance, packaging, shipping and any other need (hereinafter THE SPECIFICATIONS), when these are needed, will be provided at the time of THE REQUEST and will form part of THE SPECIFIC CONDITIONS.

When THE SPECIFIC CONDITIONS indicate that the good requires TECHNICAL QUALIFICATION, THE SUPPLIER undertakes to request and obtain it, in accordance with the bylaws in effect in the corresponding Company from THE GROUP, being responsible for the corresponding costs, when it is specified as such in the indicated standard.

3. OFFERS

3.1. REQUIREMENTS

I. The submission of offers by THE SUPPLIER does not represent any obligation for TELEFÓNICA to contract.

The offers should have a minimum validity of:

- 3 months when the destination of the goods is Spain, Chile and Colombia.
- 2 months when the destination of the goods is Peru or Central America.
- 1 month when the destination of the goods is Brazil.
- That which is specified in the corresponding quote template, when the destination of the goods is Argentina or Venezuela.

The offered goods meet the requested characteristics. If there were variations in the requested characteristics, these should be explicitly detailed in the offer.

In any case, TELEFÓNICA reserves the right to dismiss the offers that, in any of its parties, are not subjected to what it is defined in THE SPECIFIC CONDITIONS and, where appropriate, in the SPECIFICATIONS. This fact shall not give to THE SUPPLIER the right to make any claim or indemnity.

II. The offer of goods to TELEFÓNICA will require, from THE SUPPLIER:
a) A spare parts guarantee during the period established in THE SPECIFIC CONDITIONS and in its absence five years, counted from the last supply of goods, when the unit price of the good supplied is less than 60 Euros, or its equivalent in US dollars, and 7 years if it exceeded such price.

b) The responsibility to repair during the period indicated in point a) or, where appropriate, substitute, without an additional charge above the repair cost, performing it in the period that is established in THE SPECIFIC CONDITIONS.

c) Inclusion of the documentation necessary for the installation, operation, conservation and other required functions will be in Spanish for THE GROUP companies located in Spanish speaking countries. In Portuguese for those located in Brazil. In any case, it will be in the language that may be indicated in THE SPECIFIC CONDITIONS. For the complementary copies or additional documentation, the unit price will be listed, if necessary. In any case, THE SUPPLIER will also deliver the documentation in its original language, at no cost to the Companies of THE GROUP.

d) If the offered good required the eventual training of the staff of TELEFÓNICA for its installation, operation or maintenance, THE SUPPLIER will list in its offer the price of the courses or training methods needed for it, which will be provided in Spanish. If the supply were made in Brazil the language would be Portuguese, or, in any case, it will be in the language that may be indicated in THE SPECIFIC CONDITIONS.

e) The responsibility, if specified in THE SPECIFIC CONDITIONS, of the elimination, collection and recycling of the waste and the unused goods, from disassembly and storage, whose use by TELEFÓNICA is not viable, always taking into consideration the current standards applicable to the protection of the environment and recycling.

f) When it is required in THE SPECIFIC CONDITIONS, the specification of the manufacturing or supply capacity is made available to TELEFÓNICA with its offer.

g) The express warranty that to the best of their knowledge following due and careful analysis, the products offered do not contain any of the so called "Conflict Minerals". "Conflict Minerals" are considered as any that meet the following two conditions:
1. That such minerals are any of the following:
   a. Cassiterite, the metal ore from which tin is extracted;
   b. Columbite-Tantalite, known as coltan, the metal ore from which tantalum is extracted;
   c. Gold;
   d. Wolframite, metal ore from which Tungsten is extracted, and

2. That these minerals were extracted from the Democratic Republic of Congo, Angola, Burundi, Central African Republic, Republic of Congo, South Sudan, Tanzania, Uganda, Zambia or any other Country considered as conflict area in the future.

THE SUPPLIER must have a clear policy on Conflict Minerals that promotes the adoption and use of OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights for internal use and within their extended supply chain. To support their policy THE SUPPLIER must have a management system.

This requirement will be mandatory, without the possibility of the parties agreeing otherwise in THE SPECIFIC CONDITIONS, or in any related contractual document.

Also, this requirement will be opposable by THE SUPPLIER no matter what method is used for THE CONTRACT formation, and regardless of its express inclusion therein.

Section II. g) (Conflict Minerals) of the present clause 3.1 may not be subject to modification by the PARTICULAR CONDITIONS.

3.2. PRICE OF THE OFFER

THE SUPPLIER should keep in mind, when it prepares its price offer, that TELEFÓNICA, in order to guarantee its provisioning, reserves the right to make a partial award; in these cases, in THE SPECIFIC CONDITIONS, and as an indication, the amounts in which the supply volume can be divided will be indicated in its award.

The price of the offer will be specified according to the following scheme:
- Manufacturing or origin price (EXWORKS), keeping in mind the payment conditions (see condition 13.3), including the cost of containers and packaging.

- Transportation and insurance costs to the destination indicated in THE SPECIFIC CONDITIONS.

- Taxes: the broken down value and total taxes, fees, contributions, customs duties, social security contributions and other national, state, regional, departmental, provincial or municipal taxes, that may affect the supply or THE CONTRACT and any of the operations or documents involved in them.

As an exception, in THE SPECIFIC CONDITION price revisions may be established.

In any case, the price offer shall be presented pursuant with the provisions in Condition 13 of THE GENERAL CONDITIONS which regulates the economic conditions.

3.3. GUARRANTY OF THE GOOD

The good, from the date of its delivery to TELEFÓNICA, will have a manufacturing guarantee term not less than 24 months, except when in THE SPECIFIC CONDITIONS other periods have been requested.

The passing of the guarantee term does not release THE SUPPLIER from its eventual hidden vices or defects liability or any liability that were enforceable under law.

To properly fulfill its guarantee, and in the case that the supply had not been correctly performed, TELEFÓNICA will be able to require from THE SUPPLIER the correct execution of it again, in the term indicated by THE SUPPLIER and in the way that is less detrimental for TELEFÓNICA. When this is not possible, THE SUPPLIER should reimburse the collected price, taking on the expenses that may arise from its fulfillment.

If THE SUPPLIER did not fulfill with the required promptness their guarantee obligation or did not perform it within the established term, in accordance with the appropriate method, TELEFÓNICA may do so, on its own or through third
parties, at the cost of THE SUPPLIER. It will be additionally obligated, to compensate TELEFÓNICA for the damage and harm that was caused.

4. **CONTRACT FORMALIZATION**

I. **THE CONTRACT** will be formed when TELEFÓNICA sends to THE SUPPLIER an AWARD LETTER/ORDER that, with regard to THE SUPPLIER offer, may be partial or total.

When the nature or the amount of the supply require it, TELEFÓNICA may add to the referred AWARD LETTER/ORDER a declaration of THE CONTRACT formalization.

THE SUPPLIER voluntarily undertakes to execute THE CONTRACT through the use of an advanced electronic signature regulated under Spanish Law 59/2003, of December 19th or, where appropriate, another safe means of equivalent electronic identification signature in accordance with the provisions of the applicable legislation. Such electronic signature will be generated through the use of a recognized electronic certificate, which means, one which has been issued by a recognized certification service provider, as provided for in article 30.2 of the aforementioned Law or as contemplated in the applicable legislation, accepting their full legal effects.

THE CONTRACT will be formalized, as appropriate, accordingly to the format, which will be communicated to THE SUPPLIER and should be signed by it on the date that it appears for such purpose. When it has been established as such, it will be an essential condition, prior the formalization of THE CONTRACT that the warranty established in the “Definitive Bond” Condition of these GENERAL CONDITIONS has been granted.

II. When THE CONTRACT has not been signed for a reason attributable to THE SUPPLIER, TELEFÓNICA may revoke the award and require from THE SUPPLIER the corresponding compensation for the damages and harm that had been caused and/or execute the Provisional Bond.

III. The contracts subscribed by TELEFÓNICA shall be ruled in accordance to the numeration and order or precedence that is established as follows:

*First:* By those clauses of the GENERAL CONDITIONS contained in the present document that expressly prevail over the PARTICULAR CONDITIONS. In order to avoid any doubts, said clauses are: 1.1 (Scope of
Application), 1.2.2 section II (situations in which THE SUPPLIER will not be able to contract with TELEFÓNICA), 3.1 section II.g) (Conflict Minerals), 4 section III, (Order of document prevalence), 6.7 (Risks), 9.2 (Personal Information), 11 (Social, labor, fiscal, and environmental liabilities), and 12 (Anticorruption Obligations).

Second: By the stipulations of the CONTRACT.

Third: By the stipulations of the Award of Contract Letter, or by the equivalent instrument by virtue of which the contractual relationship is established (for instance, a purchase order, if the aim of the said order is to establish the contractual relationship), by means of which TELEFÓNICA assigns the role of the provision of the corresponding service to THE SUPPLIER.

Fourth: By the stipulations of the Specific Bidding Conditions and their associated SPECIFICATIONS which, where applicable, shall be attached as annexes to the said Specific Bidding Conditions, which, in turn, shall be signed by both contracting parties.

Fifth: By the stipulations of the Purchase Order (if the contractual relationship has been established by means of a CONTRACT or Award of Contract Letter) by virtue of which a specific order for services is made.

Sixth: By the bid submitted by THE SUPPLIER, including, where applicable, the amendments to the said bid agreed between TELEFÓNICA and THE SUPPLIER.

Seventh: By the remaining clauses in the GENERAL CONDITIONS contained in this document, which are referred to in point 1 above.

However in the indications in the above sixth point, it is expressly indicated that any content from the offer that were, totally or partially, contradictory or discrepant with regard to the provisions in the remaining contractual documentation will be considered not written. Such consideration will also be held for the conditions included in such offer that cover matters not regulated in the rest of the contractual documentation, unless TELEFÓNICA expressly consents in writing their inclusion in THE CONTRACT.

The documentation included in the seven above points will have the consideration of contractual documentation.

Eighth: By legal system, in everything that the parties have not agreed to.
This section III of the present clause 4 may not be subject to modification by the PARTICULAR CONDITIONS.

IV. Unless expressly agreed to otherwise, the submission of the corresponding offer by THE SUPPLIER, involves the acceptance of THE GENERAL CONDITIONS and, where appropriate, of THE SPECIFIC CONDITIONS or SPECIFICATIONS.

THE SUPPLIER may not allege in any situation, to justify the breach of their obligations, the ignorance of the cited documents, which are considered to form a part of THE CONTRACT, or of any other supranational, state, autonomic or local regulation that is applicable.

The offers that are not responded to within the term indicated in THE SPECIFIC CONDITIONS or, in their absence, in the term of three months, will be considered dismissed.

5. GUARANTEES

5.1. PROVISIONAL BOND

At the time of submitting the offer, TELEFÓNICA may require from THE SUPPLIER the posting of a provisional bond, through a bank endorsement or an endorsement of an insurer of recognized prestige, for the amount and in the term determined in THE SPECIFIC CONDITIONS, in order to cover possible damages and harm that may be caused to TELEFÓNICA due to not formalizing THE CONTRACT for a reason attributable to THE SUPPLIER.

The posting of this provisional bond, is just one means to facilitate the efficacy of the responsibilities that may be required from THE SUPPLIER. The non-formalization of THE CONTRACT does not imply that such responsibilities are limited to the amount of this bond or its term of validity.

Not submitting the provisional bond during the term required in the SPECIFIC CONDITIONS results in the exclusion from the Tender of THE SUPPLIER, without being able to require from TELEFÓNICA compensation for the damages or harm caused.
Such provisional bond will be returned by TELEFÓNICA to THE SUPPLIER at the moment in which it obtains the definitive bond under the terms established in the following point.

5.2. DEFINITIVE BOND

When it has been established as such in THE SPECIFIC CONDITIONS, THE SUPPLIER, upon signing THE CONTRACT or, if it had not been formalized, within a period of 10 days following the delivery of the AWARD LETTER will post the definitive bond, through a bank endorsement or endorsement of an insurer of recognized prestige, for the amount that was determined in the corresponding SPECIFIC CONDITIONS.

The aforementioned bond will be posted to cover the fulfillment of all of the obligations derived from THE CONTRACT, among these, the payment of penalties that cannot be deducted from the amounts paid by TELEFÓNICA, for the repairs or substitutions made to THE SUPPLIER by virtue of their warranty obligation, compensation of damages and harm that are caused to TELEFÓNICA due to any breach of THE CONTRACT or due to a delay in its fulfillment, and the compensation of the damages and harm which, in the execution of THE CONTRACT are caused to third parties and are claimed or required by them from TELEFÓNICA.

Such amount will be unalterably held during the validity of THE CONTRACT, except that the amount expected for the following years of validity will increase in comparison to the first year, in which case the amount of the bond provided may also be increased, at the request of TELEFÓNICA.

Not posting the Definitive Bond during the established period will be sufficient reason for the termination of THE CONTRACT.

The posting of the bond does not place a limit on the quantity or validity of the responsibilities that may be required from THE SUPPLIER because of THE CONTRACT, and is only one means for facilitating the effectiveness of these. In case of breach of any of the obligation contained in THE CONTRACT, TELEFÓNICA may, if it deems it appropriate, execute the bond.

Once THE CONTRACT is terminated, the bond will remain in effect during a period of twelve months, unless a longer term is provided for in THE SPECIFIC CONDITIONS or in THE CONTRACT. It will be cancelled, prior written
authorization by **TELEFÓNICA**, once the liquidation is made between the parties and provided that there is no liability or claim, of any nature, pending before **TELEFÓNICA**. If there were pending requirements, the amount of the definitive bond may be reduced in the amount that **TELEFÓNICA** deems to be sufficient to cover them.

In any case, the definitive bond will be held for as long as the warranty obligation established in Condition 3.3 subsists.

The bonds that **THE SUPPLIER** must submit will not accrue any interest, they will be payable on demand and with express waiver of the benefits of excussion and division. Such guarantees will be posted according to the model established by **TELEFÓNICA** and should be certified by the Competent Unit of **TELEFÓNICA**.

**TELEFÓNICA** may require:

- In the contracts whose value exceeds 10% of the net assets of **THE SUPPLIER**, a bank endorsement, of an equal value.

- In the supply of equipment goods, an endorsement equivalent to 15% of the total cost of the good, as a guarantee of the level of efficiency required in **THE SPECIFIC CONDITIONS**.

### 6. SUPPLY CONDITIONS

#### 6.1. SCHEDULING, DELIVER PERIODS AND PENALTIES

The delivery of goods, the installations or works that are associated and covered in **THE SPECIFIC CONDITIONS**, will be made on the dates agreed to by the parties in the manner established in **THE SPECIFIC CONDITIONS** or in delivery schedules indicated to **THE SUPPLIER**.

Unless different penalties are specified in **THE SPECIFIC CONDITIONS**, those which are indicated below will be applicable:

1. **Delay in the delivery** of the goods supplied under the terms defined in condition 6.4, will result in the application of an automatic penalty of 1% of the value of the invoices of the goods not supplied on the agreed to date. The calculation will be made for each full week of delay, which will be calculated
as the difference between the days and the day in which the actual deliver is made and the date scheduled for the supply. In any case, the penalty will not exceed 10% of the value of the unsupplied goods.

In the case of delays in the delivery of goods were longer than 4 weeks, or three delays in the same trimester, TELEFÓNICA may terminate THE CONTRACT, totally or partially. In both cases, the Definitive Guarantee may be executed if any existed, as well as claims for the damages and harm that were caused for such reason above the guaranteed amount.

The above penalty will not be applicable if the delay in the deliveries were due to reasons of force majeure provided that the event causing it were communicated in writing at least 8 days prior to the delivery date and the cause were produced prior to such date.

When delays arise, the prices of the goods not supplied on time will be valid on the scheduled delivery date, not allowing any revision of these for deliveries made subsequent to such date.

2. **Delay in the return** of the goods sent to be repaired will result in the application, of an automatic penalty of 10% of the value of each one of the invoices for the repair of the goods that were returned late. The calculation will be made for each full week of delay, which will be calculated as the difference between the days and the day in which the actual deliver is made and the date scheduled for the supply. It may not exceed the 40% of the value of the goods sent to be repaired.

The resulting penalties will be subject to an independent invoice and their accrual date will coincide with the unfilled scheduled delivery. The amount of such invoice may be subject to a set off with other invoices that are pending of payment to TELEFÓNICA by THE SUPPLIER and under any concept.

**6.2. PACKAGING, PACKING OR CONDITIONING OF MERCHANDISE FOR DISTRIBUTION, TRANSPORTATION AND STORAGE**

The goods will be delivered according to the packaging conditions established in THE SPECIFIC CONDITIONS, provided with THE REQUEST. If there were no specific conditions for packaging, they should be packaged with adequate protection against any damage during transportation or subsequent storage and the adequate stickers for their identification at any time.
The cost of packaging, packing or conditioning the merchandise for distribution, storage and transportation should be included in the price of the good (as indicated in condition 3.2). However, in the case that the package, packing or conditioning of the merchandise, were established to be returned or reused (large boxes, wooden or steel spools, staves, etc.), the cost may be considered separately, when requested by TELEFÓNICA in THE SPECIFIC CONDITIONS.

THE SUPPLIER should comply in each case the valid and applicable legislation at the time regarding the handling of packaging and packaging waste.

When the goods covered by the supply have Spain as their destination, THE SUPPLIER should meet the following requirements:

a) Adhere to a duly authorized Integrated Management System for packaging waste (SIG), for the purposes of Law 11/97 on Packaging and packaging waste, for example, the SIG of ECOEMBES.

b) Have its parent company in Spain or a representative in Spain who will be responsible for the responsibilities laid out in such Law.

6.3. USE OF TELEFÓNICA ASSETS FOR THE SUPPLY OF GOODS

6.3.1. In cases where for the correct supply of the Goods THE SUPPLIER, by itself or through a third party with which it maintains a contractual relationship in accordance with what is established in clause 7.2 of these GENERAL CONDITIONS, needs to make use of any property asset of TELEFÓNICA (for example, materials, terminals, equipment, computers, etc.) that has been delivered to it for its sale, installation, provision, maintenance, or any other reason including the object of the contract, THE SUPPLIER shall be liable for the custody of said assets, for their correct preservation in the same state in which they were delivered to it by TELEFÓNICA, and their adequate use for the exclusive purpose of supplying the Goods to TELEFÓNICA, with any other user different than said end purpose being completely forbidden.

Once the supply of the Goods that justifies the use of TELEFÓNICA assets by THE SUPPLIER has finalized, the latter must return to TELEFÓNICA said assets in the same state of preservation that they were delivered originally to THE SUPPLIER.
6.3.2. **THE SUPPLIER** must keep the **TELEFÓNICA** assets conveniently stored in facilities of its own property for inventory or checks effects by **TELEFÓNICA** personnel. In case that for the supply of the Goods said assets have been delivered to a third party with which **THE SUPPLIER** has a contractual relationship, **THE SUPPLIER** must previously communicate this situation to **TELEFÓNICA** and subject this decision to **TELEFÓNICA**'s authorization, specifying the reason for said deposit or transfer to third party facilities.

6.3.3. In the case that **TELEFÓNICA** exercises its right to inventory or check the assets that are its property and that have been delivered to **THE SUPPLIER** for the purpose of supplying the Goods, and said assets are not in facilities of **THE SUPPLIER** at the time of the inventory or check, **THE SUPPLIER** must justify the reasons why said assets were not in its facilities, and must specify the location of said assets.

6.3.4. In the case that **TELEFÓNICA** detects differences or deteriorations to the assets of its own property delivered to **THE SUPPLIER** for the supply of the Goods, **THE SUPPLIER** shall be liable for the repair cost, or if it were necessary according the criteria of **TELEFÓNICA**, its replacement with new assets with the same characteristics. If the assets should be irreplaceable, **THE SUPPLIER** is liable for the value (which will be the greater between the acquisition value paid by **TELEFÓNICA** and the market value) of said assets, as well as for any damages or losses that **TELEFÓNICA** may suffer that stems from the loss of said assets. Furthermore, in these cases **THE SUPPLIER** shall be liable for the additional costs that **TELEFÓNICA** may incur in as a consequence of an eventual replacement or repair process of the assets.

6.3.5. **THE SUPPLIER** agrees to use the **TELEFÓNICA** assets respecting the caveats established in sections 6.8 and 11 in order to prevent contaminating effects, or any other kind of damage, to third parties or the environment that could stem from the use or storage of the **TELEFÓNICA** assets.

6.3.6. **THE SUPPLIER** will assume the liability derived from the possible subtraction of **TELEFÓNICA** assets that are in its custody, or in the custody of third parties with which it maintains a contractual relationship, and must pay **TELEFÓNICA** the amount of the subtracted assets, which will be the greater between the value of the acquisition value paid by **TELEFÓNICA** or the market value.
6.3.7. Any non-compliance of what is considered in the aforementioned sections 6.3.1 to 6.3.6 may be cause for total or partial termination of the contractual relationship between TELEFÓNICA and THE SUPPLIER for the supply of Goods.

6.4. DELIVERY LOCATION

The goods covered by the supply will be delivered to the location indicated in THE SPECIFIC CONDITIONS.

6.5. DELIVERY OF GOODS

The delivery will be made once the prior inspection process for quantity and quality has been satisfactorily fulfilled, or acceptance without any objection of the installed good following actual operation tests, performed by TELEFÓNICA.

THE SUPPLIER should issue the corresponding delivery note which should accompany the issuance of goods.

Performing the delivery in the manner, time and place established, the goods will become the property of TELEFÓNICA.

6.6. QUALITY

6.6.1. GENERAL CONSIDERATIONS

The fulfillment of the specifications of the goods constitutes a liability not transferable to third parties by THE SUPPLIER.

The acceptance by TELEFÓNICA does not affect the legal and/or contractual responsibilities which THE SUPPLIER had regarding the supplied good, such as the guarantees or others derived from defective products that may be detected after the inspection is performed, or other hidden vices of any nature and any others attributable to THE SUPPLIER.

THE SUPPLIER should have a quality procedure, as well as the organization and means that allows to guarantee the characteristics of the product, perform an analysis of malfunctions and guarantee control, in its installations or in the destination countries of the goods. Alternately, THE SUPPLIER may
have the mentioned organization and means, in the country of destination, through collaboration with a third party.

The quality assurance in the receipt of the goods may be performed in any country that is agreed to with THE SUPPLIER based on the common interests of both parties.

6.6.2. VERIFICATION

TELEFÓNICA will indicate in THE SPECIFIC CONDITIONS, the type of quality verification of the supplied goods, being able to decide between:

a) Inspecting the lots by sampling the supplied goods, following the UNE 66020 standard, ISO equivalent or those derived from the MIL-STD 105D, in which case, the goods should be made available to TELEFÓNICA at least seven calendar days prior to their scheduled delivery date.

b) Performing an evaluation of the quality assurance system of THE SUPPLIER, in order to verify its appropriateness, according to its needs. If TELEFÓNICA deems it appropriate, it will dispense the inspection by lots.

Each Company of THE GROUP may perform this assessment in accordance with the standards that, in this matter, were in effect.

c) Performing the device acceptance tests, once installed and actually functioning, in accordance with the specifications in THE SPECIFIC CONDITIONS.

In the case of quality control by lots, the verification will preferably be performed in the installations of THE SUPPLIER who undertakes to provide at all times the necessary resources to perform the quality tests.

If due to such lack of resources it were necessary to use a specialized lab, the cost of the tests would be paid by THE SUPPLIER.

THE SUPPLIER will communicate to TELEFÓNICA, at least seven days prior to the established delivery date, the availability of the lot of goods corresponding to such delivery (Condition 6.1).
THE SUPPLIER will consider in its offer the possibility that some of the units of goods, will be used in destructive tests in accordance with the applicable standard, which should be replaced by it, at no cost.

As a result of these actions, TELEFÓNICA will provide the corresponding document of acceptance or rejection, sealing, when appropriate, the delivery note issued by THE SUPPLIER which will accompany the good.

If the results of the tests led to the rejection of the good, or its repair, THE SUPPLIER should inspect the totality of the rejected lot correcting the defects, when possible, or eliminating the defective units, when it is not possible. The delay caused by the rejection of the good, will be considered a delay in delivery and the provisions in condition 6.1 will be applied.

In accordance with standard UNE 66 020, TELEFÓNICA may terminate with the supply if 10 consecutive lots of the same good remain under "rigorous inspection", as defined in such standard.

In THE SPECIFIC CONDITIONS the minimum level of assessment required to THE SUPPLIER can be specified. In the case that THE SUPPLIER did not reach such level, a period no longer than three months will be given to them, from the scheduled date of the first deliver, in order to obtain it.

If after such period THE SUPPLIER had not reached the minimum level of assessment indicated, or did not maintain it for the duration of the manufacture and supply, TELEFÓNICA may decide to terminate THE CONTRACT or require the application of the control procedures that are provided for in the quality assurance standard of each company.

TELEFÓNICA reserves the right to verify at all times during the validity of THE CONTRACT the level of quality reached by THE SUPPLIER with the frequency they deem appropriate and in any phase of the production process of THE SUPPLIER, with the consequent reservation of manufacturing secrets that could be affected.

6.6.3. COSTS

The quality assurance inspections or assessments performed by TELEFÓNICA, whether by lots, audits or supervision by product line, which show that the products are not in accordance with the applicable
specifications, will be billed to **THE SUPPLIER** by **TELEFÓNICA**, or by the quality assurance entity that had performed them, as well as the costs from the second inspections of rejected products.

The applicable rates will be of 60 Euros or 65 US Dollars per hour or 500 Euros per day (545 US Dollars/day), annually reviewable. Additionally the travel and accommodation expenses will be collected, unless **THE SPECIFIC CONDITIONS** specifies otherwise.

If **THE SUPPLIER** did not have the installations and resources to inspect in the destination country or countries of the goods, it may choose between:

1. Contracting them in the destination country, with a third party, or
2. Assuming the costs incurred by **TELEFÓNICA**, as a result of the travel of its personnel to the installations of **THE SUPPLIER** such as, for example, travel expenses, a translator if necessary, etc.

### 6.7. RISKS

The present clause 6.7 may not be subject to modification by the **PARTICULAR CONDITIONS**.

In the cases in which there are goods owned by **TELEFÓNICA** in possession of **THE SUPPLIER** or such goods were deposited with it, it will be required that **THE SUPPLIER** purchases a full coverage insurance policy for material damages. The policy should cover the possible damages that such goods could be subject to, including those caused by terrorism, theft, robbery and sabotage, as well as those derived from the transfer of goods and intermediate stays by or for **THE SUPPLIER**.

The contracting or existence of a **Civil Liabilities** policy shall be mandatory for awards whose amounts are equal to or greater than 10,000 Euros; the insured party of said policy will be **THE SUPPLIER** for the coverage of damages and/or losses caused or claimed to **THE GROUP** company and/or its affiliates and/or its participations. The policy will include general civil liabilities, activities liabilities, liabilities corresponding to claims made by employees to the employer, and liabilities regarding products or services with a maximum compensation limit according to the volume of the award and the type of product/service. The minimum amount of the policy shall be established based on the product/service that will be supplied/provided, and may be 2 million, 3
million, or 5 million Euros in Europe, or 2 million, 3 million, or 5 million United Stated Dollars when the product/service is supplied/provided in America.

Also, in the case of transportation insurance the maximum compensation limit per incident will not be less than the volume of the largest shipment per transportation unit. The coverage of such transfers may also be performed through a policy of **Full Coverage Transportation Insurance**.

It will be obligatory to include **TELEFÓNICA** in the policy(ies) as an additional insured.

The indicated policies or copies of these will be required to be delivered to **TELEFÓNICA** and should remain valid and effective during the validity of **THE CONTRACT** and the maximum compensation limits being could not be, at any time, below those required.

The maximum deductibles not covered by the established insurer in the required policies could not exceed, in no case 20,000 Euros, or its counter value in the currency used in **THE CONTRACT**.

The breach of the contract and/or conservation of the validity of policies, coverage and maximum compensation limits required will carry an automatic compensation for damages and/or harm by **THE SUPPLIER** to **TELEFÓNICA**, notwithstanding the possibility of termination of **THE CONTRACT** by itself.

The breach of these necessary requirements will not exonerate from **THE SUPPLIER** of civil liability not covered by the necessary insurance contracts.

### 6.8. MANAGEMENT OF WASTE FROM ELECTRICAL AND ELECTRONIC DEVICES

**THE SUPPLIER** should comply in each case with the valid applicable legislation at the time regarding the handling of waste from electrical devices and electronics.

When the goods covered by the supply have Spain as their destination, **THE SUPPLIER** should meet the following requirements:

a) **THE SUPPLIER** of the good is considered and declared producer of it, for the purpose of applying Royal Decree 208/2005, of February 25, on electrical and electronic devices and the management of their
waste, as well as registering itself on the Registry which was established for such effect in the mentioned Royal Decree 208/2005.

b) **THE SUPPLIER** should have its parent company in Spain or a representative in Spain who will be responsible for the responsibilities laid out in such Royal Decree.

7. **ASSIGMENT AND SUB-CONTRACTING**

7.1. As general rule and unless expressly authorized in writing by TELECÓNICA, it is prohibited to **THE SUPPLIER** to totally or partially assign **THE CONTRACT**. The assignment of **THE CONTRACT** in order to be valid, **THE SUPPLIER** should have a prior written consent from TELECÓNICA in which case, in such authorization the terms and conditions applicable will be established.

7.2. The subcontracting of the tasks by **THE SUPPLIER** will require a previous authorization granted in writing by TELECÓNICA. If such subcontracting were to be authorized, **THE SUPPLIER** will jointly and severally be liable with **THE SUBCONTRACTOR** for the tasks entrusted to it.

Due to the above, in the case the subcontracting was valid, **THE SUPPLIER** assumes the commitment of transferring to the **SUBCONTRACTOR** the obligations which, affecting the **SUBCONTRACTOR**, are imposed in this document. The breach of such obligation will not exempt **THE SUPPLIER**, or the **SUBCONTRACTOR**, from the exact and faithful fulfillment of the obligations that are derived from **THE CONTRACT**.

Additionally, **THE SUPPLIER** will jointly and severally assume before TELECÓNICA, with **THE SUBCONTRACTOR**, the obligation to respond to each and every one of the duty of confidentiality and security measures to be adopted regarding personal data.

TELECÓNICA reserves the right to verify the fulfillment of such obligation therefore it may request the documentation that it deems necessary for these purposes.

**THE SUPPLIER** and **THE SUBCONTRACTOR** if any, should provide sufficient documentation to prove:

1) That the totality of its employees have been registered with Social Security; and
2) That they are current on the payment of the Social Security Contributions for their workers and other obligations of a labor nature.

Also, TELEFÓNICA reserves the right to verify the quality assurance systems and the installations of THE SUBCONTRACTOR, in the manner it deems appropriate.

7.3. TELEFÓNICA may transfer, totally or partially, the rights and obligations under THE CONTRACT to another company from THE GROUP, without THE SUPPLIER being able to require any indemnity or compensation. So that such transfer may take effect before THE SUPPLIER it should be notified in advance by TELEFÓNICA.

8. LICENSE, PERMISSIONS AND OTHER EXPENSES DERIVED FROM THE CONTRACT

It will be the exclusive responsibility of THE SUPPLIER to transfer, process, manage and obtain, on its own, any permits, licenses and authorizations necessary for the correct execution of THE CONTRACT. The same occurs when obtaining import licenses, duty rights or any other appropriate expenses that are necessary.

In any case, THE SUPPLIER will directly respond for the claims that may be substantiated before TELEFÓNICA, as a result of a lack of permits, licenses and authorizations necessary on its part or the default on cited rights and expenses.

THE SUPPLIER is obligated to satisfy the formalization expenses of THE CONTRACT, in the case that it should be notarized.

9. CONFIDENTIALITY AND DATA PROTECTION

9.1. CONFIDENTIALITY

They also agree to consider as "confidential information", any information that could be revealed orally, written or by any other means or form, tangible or intangible, currently known or invented in the future, exchanged as a result of THE CONTRACT. Including but not limited to, the following will be considered confidential information: in addition to THE CONTRACT, the discoveries, concepts, ideas, knowledge, techniques, designs, drawings, drafts, reports, contracts, documents, diagrams, models, samples, databases of any type, as well as any information regarding the financial, commercial, technical and/or
industrial aspects of THE GROUP.

THE SUPPLIER undertakes during and subsequent to the term of THE CONTRACT to handle all of the managed information and which it has access to, including THE CONTRACT, the information that TELEFÓNICA provides, as well as that which is obtained in the execution of THE CONTRACT, in a strictly confidential manner, fulfilling the following obligations:

1. Use the confidential information solely for carrying out the purpose of THE CONTRACT.

2. Allow access to confidential information only to those employees that, providing their services to THE SUPPLIER, need the information for the implementation of tasks covered by THE CONTRACT for which the use of this information is strictly necessary.

3. Keep secret all of the confidential information that is managed as a result of THE CONTRACT.

4. Safeguard the confidential information in restricted areas, maintaining it, at all times, separate from the confidential material of third parties in order to avoid any kind of mix-up or confusion.

5. Have the means and procedures to prevent the loss of information. THE SUPPLIER should report any filtration of information that they know/become aware of, caused by infidelity of the individuals that have access to the commercial information. The communication will not exonerate THE SUPPLIER from liability, but if it breaches it will give rise to as many liabilities as are derived from such particular omission.

6. Limit the use of the confidential information to that which is strictly necessary for the fulfillment of the purpose of THE CONTRACT. THE SUPPLIER assumes liability for all of the misuse or from a different use of the agreed one, performed by them or their employees, which have been allowed access to the confidential information.

Notwithstanding the obligations imposed by the legal standards and/or assumed by the receiving party on the confidential information, the confidentiality obligations listed in the previous point will not be applicable to the information, when the receiving party can demonstrate:
1. That it was in the public domain at the time of having been revealed.

2. That, after having been revealed, was published or otherwise became of public domain without breach of the obligation of confidentiality by the party receiving such information.

3. That at the time of having been revealed, the receiving party was already in possession of it by lawful means or legally had a right to access it.

4. That it had the prior written consent of the other party to disclose the information.

5. It has been requested, in accordance with the valid and applicable legislation, by a Competent Judicial or Administrative Authorities that must pronounce on full or partial aspects of it, in which case the need to exhibit the information must be communicated to the other party prior to the exhibition.

In the case that THE SUPPLIER is required under a legal obligation to reveal information deemed confidential, should notify it to TELEFÓNICA immediately following the delivery of such information. The notification should be in writing and contain the nature of the request, the authority that makes the requirement and term in which it should be answered with the purpose of allowing TELEFÓNICA to seek for the appropriate method or mechanisms for protecting the disclosure of the information outside of the requirement or, in their case, reduce its scope.

The breach by THE SUPPLIER of this confidentiality clause empowers TELEFÓNICA to terminate THE CONTRACT and additionally, require the damages and harm that was caused.

Upon the termination, for any reason, and due to the relation between THE SUPPLIER and TELEFONICA, the information should be returned to TELEFONICA or destroy, according to the criteria that it deems appropriate, the confidential information that it has, searching for and erasing from its computers and/or archive systems any reference, data, information, documentation. In any case, THE SUPPLIER should prove in writing the fulfillment of this obligation and that it has not retained confidential information.
This confidentiality commitment will be kept in effect for an unlimited amount of time.

9.2. DATA PROTECTION

The present clause 9.2 may not be subject to modification by the PARTICULAR CONDITIONS.

When the supply of goods involves any kind of processing by THE SUPPLIER of personal data for which TELEFÓNICA is the Controller, the SUPPLIER is subject to the provisions of the ANNEX I - PERSONAL DATA PROTECTION AGREEMENT, which forms part of these GENERAL CONDITIONS.

For these purposes, when submitting a bid, the SUPPLIER will include the ANNEX I - PERSONAL DATA PROTECTION AGREEMENT duly completed and signed.

10. INTELLECTUAL AND INDUSTRIAL PROPERTY

The intellectual property rights of which each party is an owner prior to THE CONTRACT will continue being the property of such party, unless otherwise agreed in THE SPECIFIC CONDITIONS.

Any technology, intellectual and industrial property rights, documentation and information developed as a result of the execution of THE CONTRACT will be the property of TELEFÓNICA unless agreed to otherwise or because of the indications in THE SPECIFIC CONDITIONS.

The models, product brands, patents, samples, prototypes, plans, designs, templates, documentation, instruction or technical know-how or technological, operative or organizational and operational, methods and systems and in general any material susceptible of being intellectual or industrial property, property of TELEFÓNICA which it provides to THE SUPPLIER as a result of the execution of THE CONTRACT, will be held as exclusive property of TELEFÓNICA.

The use of names, brands, signs, logos or other distinctive or identification of the property of any of the parties, or by indication of one of them, in no case will this be understood as a license or transfer of use or constitution of any right in favor of the other parties over such goods.
However, if for the execution of **THE CONTRACT** it were necessary to grant a license of use for the elements subject to any intellectual and industrial property rights by either of the parties, such license will solely be understood as granted in the terms and for the time that is strictly necessary for the execution of **THE CONTRACT**.

**THE SUPPLIER** warrants to **TELEFÓNICA** that the goods covered by **THE CONTRACT**, will not infringe any valid legislation on copyrights or intellectual property at the time of delivering the goods, therefore, the execution of **THE CONTRACT**, does not constitute an infringement of any patent, distinctive sign, copyright or any other Intellectual or Industrial Property right of a third party during the validity and execution of **THE CONTRACT**.

In the case that **TELEFÓNICA** were reported for infringing on intellectual or industrial property rights of third parties as a result of the execution of **THE CONTRACT**, it will immediately notify **THE SUPPLIER** regarding any claim or suits related with the breach of any copyright or intellectual or industrial property rights over the products, so that **THE SUPPLIER** become a party in the defense, conciliation or commitment process regarding the breaches that were alleged.

**THE SUPPLIER** will be responsible for each and every one of the expenses that arise due to the defense of **TELEFÓNICA**, as well as all of the amounts that they are required to pay to **TELEFÓNICA** for such reason. All of this, notwithstanding the right of **TELEFÓNICA** to exercise the legal actions it deems necessary and to claim for damages and harm caused for such reason.

If it were determined that the products infringe on an copyright or intellectual property right and their use is prohibited, **THE SUPPLIER** should at his own expense, procure the resources so that **TELEFÓNICA** may continue using the products, replace them with products that do not infringe on the law or modify them so that they do not continue infringing the law, provided that **TELEFÓNICA** accepts the alternative that **THE SUPPLIER** proposes.

The breach by **THE SUPPLIER** of this intellectual property clause empowers **TELEFÓNICA** to terminate **THE CONTRACT** and additionally, require the damages and harm that were caused and also to exercise the legal actions deems appropriate.

### 11. SOCIAL, LABOR AND ENVIRONMENTAL OBLIGATIONS

The present clause 11 may not be subject to modification by the **PARTICULAR CONDITIONS**.
11.1 THE SUPPLIER and, when applicable, THE SUBCONTRACTOR must have the necessary means for warranting that no child labor exists in their activity. They shall also guarantee the compliance with the applicable law on labor subject, Social Security, Occupational Safety, Hygiene and Health and environmental labor provisions as well as those connected with waste electrical and electronic equipment management.

It especially undertakes to acquire the necessary means to protect, prevent, as well as provide training and information on labor risks for its own employees who may need the provision of services. Similarly, it undertakes to comply and ensure employees comply with the preventing measures applicable in each case.

THE SUPPLIER and, when applicable, THE SUBCONTRACTOR, exclusively undertake the role of master or employer with respect to the employees they hire for the execution of THE CONTRACT. To this effect, THE GROUP shall remain exempt from the relationship between THE SUPPLIERS and, when applicable, THE SUBCONTRACTOR and the personnel referred to; and THE SUPPLIER shall guarantee THE GROUP absolute indemnity for any liability resulting from the relationship with their personnel and, when applicable, with that of SUBCONTRACTOR.

THE SUPPLIER and, where appropriate, the SUBCONTRACTOR, exclusively assumes, the nature of employer or entrepreneur regarding the personnel it employs for the execution of THE CONTRACT. In this regard, THE GROUP will not be a part in the relation between THE SUPPLIER and, where appropriate, the SUBCONTRACTOR and the mentioned personnel. THE SUPPLIER warrants to THE GROUP absolute indemnity from any liability that may be derived from the relation with its personnel and, where appropriate with the personnel of the SUBCONTRACTOR.

11.2 TELEFÓNICA shall remain exempt from any claims arising between THE SUPPLIER and its personnel, who shall guarantee TELEFÓNICA absolute indemnity for any liabilities incurred by the latter as a result of the relationships between THE SUPPLIER and the personnel referred to.

Notwithstanding the foregoing, if, due to breach by THE SUPPLIER, TELEFÓNICA should be held liable in any manner (including possible sanctions due to lack of affiliation or registration of the Social Security of any of the workers employed in such activity), THE SUPPLIER shall be obliged to indemnify TELEFÓNICA for the amount due for such liability, including judicial and non-judicial expenses and costs related to the defense of the latter.
Specifically, if TELEFÓNICA were obliged, by virtue of final judgment, to include in its payroll any SUPPLIER’s worker, the latter shall be obliged to indemnify TELEFÓNICA for the amounts which might become payable in the event of a wrongful dismissal (indemnification and interim salaries).

11.3 **THE CONTRACTOR** shall set regarding its employees the aspects inherent to its patron condition (shift, labor day, holidays, salary regime application, disciplinary regime, labor claims, workers’ choice and training, legal representation relationships, etcetera).

11.4 **THE SUPPLIER** shall make available all resources, professional training or training specific to labor risk prevention, clothing, and facilities to prepare the food of the staff and hygiene facilities, etcetera.

11.5 **THE SUPPLIER** shall be obliged to keep an economic guarantee as a minimum during the year following the end of the works, for the purpose of bearing possible joint liability due to salaries and Social Security which may arise out of the breach by **THE SUPPLIER** of its business obligations.

11.6 **THE SUPPLIER** shall submit, if Telefonica requires it, together with its offer, a Social Security clearance certificate before the General Treasury of the Social Security. Prior to commencement of the operation contracted or subcontracted, **THE SUPPLIER** shall prove TELEFÓNICA that all of the workers of the former taking care of such operations are registered in the social security; such proof shall also be required if new workers are later hired for the performance of such operations.

11.7 Under no circumstances shall **THE SUPPLIER** employ for its service for the execution of the operations related to compliance with the service and **THE CONTRACT** staff in **THE GROUP** without the express written consent by it.

11.8 **THE SUPPLIER** represents to be up-to-date as regards payment of all its tax obligations and obliges itself to prove that its **SUBCONTRACTORS**, in the event that such subcontract had been previously authorized by TELEFÓNICA, are in the same situation. With the purpose of proving the foregoing, if Telefonica requires it, **THE SUPPLIER** shall give TELEFÓNICA a certificate issued by the Tax Administration proving that it is up-to-date as regards its tax obligations as regards the twelve months prior to the date of execution of **THE CONTRACT** and/or the date of commencement of the service.
THE SUPPLIER obliges itself to give TELEFÓNICA, while THE CONTRACT is in full force and effect, successive renewals of such certificate after twelve months of the date of issuance of the previous certificate.

Not submitting the initial certificate and/or the successive renewals by THE SUPPLIER shall enable TELEFÓNICA to suspend provisory payments in favor of THE SUPPLIER accrued for the services rendered, with a prior ten (10)-day notice and until THE SUPPLIER proves such compliance. Otherwise, such circumstance shall be ground enough to terminate the award made by TELEFÓNICA and/or THE CONTRACT at any time while it is in force and effect.

Likewise, THE SUPPLIER commits to be up-to-date as regards payment of all its tax obligations during while THE CONTRACT is in force and effect.

11.9 THE SUPPLIER and, if applicable, THE SUBCONTRACTOR, shall be obliged to manage all environmental aspects and those connected with management of waste of electronic and electric devices which are involved in their operations, under their complete legal and business responsibility and, in turn, in compliance with all the obligations provided by governing law, including committing to the environmental requirements established by the company.

Notwithstanding the foregoing, if for reason of THE SUPPLIER such commitments were not complied with and liability for THE GROUP could arise out of that, THE SUPPLIER shall be liable to pay the amount of such liability, including any legal costs or expenses related to the defense of THE GROUP.

11.10 If THE SUPPLIER and the SUBCONTRACTOR, if any, should not comply with the foregoing obligations, THE GROUP may terminate by operation of law THE CONTRACT, only through written notice served on THE SUPPLIER, which shall be obliged to indemnify all damages caused to TELEFÓNICA and any third parties.

11.11 THE GROUP may control on its own or through third parties, through the related auditing process, compliance THE SUPPLIER of all the obligations previously mentioned.

12. ANTICORRUPTION OBLIGATIONS

The present section 12 (Anticorruption Obligations) may not be modified by the PARTICULAR CONDITIONS.

12.1. THE SUPPLIER hereby represents warrants and covenants that:
(a) **THE SUPPLIER** and any of its controlling entities or persons, affiliates, partners, officers, directors, employees and agents involved in the Relevant Undertaking\(^1\) will comply at all times in connection with and throughout the course of the Relevant Undertaking\(^1\) (if applicable, including upon acquisition of the products and/or contents that are relevant for the supply of goods or rights subject matter of the contractual relationship between \textbf{TELEFÓNICA} and \textbf{THE SUPPLIER}), with all applicable laws, statutes, regulations and codes relating to combating corruption, including without limitation the United States Foreign Corrupt Practices Act (collectively, “Anti-Corruption Laws”);

(b) In connection with the Relevant Undertaking, neither \textbf{THE SUPPLIER} nor any of its controlling entities or persons, affiliates, partners, officers, directors, employees or agents will offer, promise or give, nor have they, as at the effective date of the contractual relationship between \textbf{TELEFÓNICA} and \textbf{THE SUPPLIER}, offered, promised, or given money or anything of value, directly or indirectly, to (i) any “Government Official”\(^2\) in order to influence official action or otherwise obtain an improper advantage; (ii) any other person while knowing that all or any portion of the money or thing of value will be offered or given to a Government Official in order to influence official action or otherwise obtain an improper advantage, or (iii) any other person in order to induce him or her to act disloyally or otherwise improperly;

(c) \textbf{THE SUPPLIER} will keep and maintain accurate and reasonably detailed books and financial records in connection with the contractual relationship between \textbf{TELEFÓNICA} and \textbf{THE SUPPLIER}, and the Relevant Undertaking;

(d) \textbf{THE SUPPLIER} has and shall maintain in place throughout the term of the contractual relationship between \textbf{TELEFÓNICA} and \textbf{THE SUPPLIER} its own policies or procedures to ensure compliance with Anti-Corruption Laws, sufficient to provide reasonable assurances that violations of Anti-Corruption Laws will be prevented, detected and deterred;

(e) \textbf{THE SUPPLIER} shall promptly report to \textbf{TELEFÓNICA} any violation of any of its obligations under paragraphs (a), (b) and (c) of this Section 12.1; in such event, \textbf{TELEFÓNICA} reserves the right to require that \textbf{THE SUPPLIER} immediately take appropriate remedial actions;

(f) \textbf{THE SUPPLIER's} representations, warranties and covenants in this Section 12.1 extend equally, for the avoidance of doubt, to any third parties subject to the control or influence or acting on behalf of \textbf{THE SUPPLIER} in connection with the Relevant Undertaking, and \textbf{THE SUPPLIER} has taken reasonable steps to ensure their compliance; and no rights or obligations of, or services to be rendered by \textbf{THE SUPPLIER} in connection with the Relevant Undertaking shall

\(^{1}\) “Relevant Undertaking” means the subject matter of the contractual relationship between \textbf{TELEFÓNICA} and \textbf{THE SUPPLIER}.

\(^{2}\) “Government Official” includes anyone working for or on behalf of a national, state, provincial or local government department, body, agency or other government entity (including government-owned or controlled companies) or any public international organization. The term also includes political parties, party officials and candidates for political office.
be assigned, transferred or subcontracted to any third party without the prior written approval of TELEFÓNICA;

(g) THE SUPPLIER shall certify its compliance with this Section 12.1 periodically as may be required by TELEFÓNICA.

12.2 Breaches:

(a) Breach of this Section 12 shall be deemed a material breach of the contractual relationship between TELEFÓNICA and THE SUPPLIER. In the event of a breach of Section 12.1, except if remedied pursuant to Section 12.1 (e) above, the contractual relationship between TELEFÓNICA and THE SUPPLIER may be immediately suspended or cancelled by TELEFÓNICA and any claims for payment by THE SUPPLIER may be forfeited.

(b) To the extent permitted by law, THE SUPPLIER will indemnify and hold TELEFÓNICA harmless from and against any and all claims, damages, losses, penalties, costs (including but not limited to legal fees) and expenses arising from or related to, any breach by TELEFÓNICA of its obligations under Section 12.1.

12.3 TELEFÓNICA shall have the right to audit THE SUPPLIER's compliance with its obligations and representations under Section 12.1. THE SUPPLIER shall fully cooperate in any audit, review, or investigation conducted by or on behalf of TELEFÓNICA.

13. ECONOMIC AND TAX CONDITIONS

13.1 PRICE

The price of THE CONTRACT includes everything covered by it, in accordance with it and with these GENERAL CONDITIONS and THE ASSOCIATED SPECIFICATIONS, and anything that should be contributed or performed by THE SUPPLIER for its fulfillment, without other exceptions than the concepts or provisions that have been expressly excluded.

The price includes all of the taxes that burden the purpose of THE CONTRACT, or are accrued due to it. Excluding from the above, the Value Added Tax (VAT), which THE SUPPLIER will break down and consign, distinctly and separately the tax basis, expressing the corresponding tax rate, in accordance with the provisions in the Law and Regulation of such tax. THE SUPPLIER expressly undertakes to the declaration and income from the rates which correspond in accordance with the provisions in this paragraph, in accordance with the standards in effect on this matter.
The contractual prices are unalterable. Price increases will not be allowed, unless expressly agreed to in writing. As a result, **THE SUPPLIER** will not have any right to review the prices agreed to in **THE CONTRACT** unless, solely and exclusively, in the case that in it or in the corresponding **SPECIFIC CONDITIONS**, such right is acknowledged through the clause expressly on the revision of prices and within the limits stipulated in such clause.

The supply of good not included in **THE CONTRACT** will not be paid for, if its execution has not been previously offered by **THE SUPPLIER** in writing and with express indication of its price, and accepted, also in writing by duly empowered representatives of **TELEFÓNICA**.

### 13.2. BILLING

**TELEFÓNICA** may provide to **THE SUPPLIER**, the printed models or computer elements, operational diskettes necessary for preparing the invoices and for accrediting the execution of the supplies.

The invoices will be submitted in the place and under the conditions and terms that are determined in **THE CONTRACT** or, where appropriate, in **THE SPECIFIC CONDITIONS**.

**Requirements for billing**

In order to invoice, **THE SUPPLIER** should meet the following requirements:

- a. It will consign all of the identifying data of **THE SUPPLIER** and **TELEFÓNICA** and any other data that may be required by Law or applicable regulations.

- b. It will assume that the computer procedures that are established (for example those based on the Platform of the Adquira Marketplace electronic commerce), performing all of the actions necessary so that the invoices issued through this means have full legal capacity.

- c. Channel all of the invoices without exception through the Adquira Marketplace Platform. **TELEFÓNICA** will only be available to receive the printed invoices if this constitutes a requirement in accordance with the national legislation of the country of **THE SUPPLIER**. Channel the invoices
through this Platform, as indicated at the start of the first point, is a requirement that is indispensable for the receipt of the printed invoice.

13.3. TERM AND PAYMENT METHOD

The payment of the invoices will be done during the period that is indicated in THE SPECIFIC CONDITIONS or, in its absence, in THE CONTRACT or in the AWARD LETTER.

The invoices should be validly issued and delivered to TELEFÓNICA, complying with all of the requirements established in condition 12.2 of this document, in order to proceed to pay them during the agreed terms. For such validity it will be necessary:

1. That the invoice meets the legal and regulatory requirements.

2. That the invoice is delivered to the location and/or individual indicated as addressee.

3. That the invoice was issued and delivered in the agreed time.

The payment of the invoices does not imply that TELEFÓNICA deems the obligations fulfilled by THE SUPPLIER, or that it waives the rights that may correspond before the Supplied and, where appropriate, before THE SUBCONTRACTOR, expressly reserving their exercise, notwithstanding the payment made.

13.4. SET OFF AND ASSIGNMENT OF CREDITS

The credits derived from the supplies covered by these Specifications in favor of THE SUPPLIER may be subject to compensation at the time of its expiration with any others that TELEFÓNICA had against THE SUPPLIER, give cause for or not of the same contractual relation, and this is regardless that at the time of the expiration THE SUPPLIER will continue being the owner of them and will merely need to notify THE SUPPLIER of the payment made.

For these purposes, the assignment of credits which, where appropriate, may be performed by THE SUPPLIER, may not damage or undermine the rights of TELEFÓNICA to apply the withholding, compensations or penalties that may correspond before THE SUPPLIER being able to oppose this before the assignee the exceptions that were opposable to THE SUPPLIER, in particular, the
compensation of credits, and exercise against the assignee the actions that were exercisable before it and that were related with the assigned credits.

13.5.  TAXES

TELEFONICA is obligated to comply the withholding of the amount, in the manner that the fiscal laws and/or Conventions on fiscal matters specify.

THE SUPPLIER whose fiscal residence is in a country that signed an International Dual Taxation Convention will provide, prior to making payment, a certificate of fiscal residence. Once such certificate is delivered to TELEFONICA will make the fiscal withholding in accordance with the provisions in the Convention.

THE SUPPLIER who has been registered for a VAT Special Scheme, pursuant to the provisions of the national legislation of each country (for example, the Special Payment Scheme pursuant to the provisions of section 23 of Law 14/2013, dated September 27, of Support to the Entrepreneur), shall expressly notify this to TELEFONICA in a term of 20 calendar days from the time it was expressly notified of the award of the rendering of services, in which case said scheme shall be considered applicable to all the invoices that THE SUPPLIER issues to TELEFONICA, except for waiver, which shall also be expressly notified with at least 20 calendar days’ notice prior to the issuing of the first invoice where the aforementioned Special Scheme shall no longer be applicable.

THE SUPPLIER shall assume any liability which could be directed at TELEFÓNICA, holding it harmless, in the event of inaccuracy of the information supplied in the aforementioned forms or non-compliance with the obligations which could be applicable to it as subject within the Special Scheme.

For the other cases, as long as there is no express agreement against it, as many taxes or duties that are accrued or caused as a result of the execution of THE CONTRACT will be assumed in accordance with the national law of each country.

14.  USE OF ELECTRONIC COMMERCE TOOLS - REGISTRATION WITH THE REGISTRY OF ACCREDITED COMPANIES

14.1. In order to speed up the REQUEST OF OFFERS, the submission of offers, the formalization of agreements (whether through THE CONTRACT or through the AWARD LETTER), the processing of orders or service orders, management of invoices and approvals, and the billing activities, THE SUPPLIER and TELEFONICA will use the electronic procedures from the ECommerce Adquira Marketplace Platform (hereinafter "ADQUIRA").
To such end, *THE SUPPLIER* and *TELEFÓNICA* shall register with *ADQUIRA* assuming the fixed and variable costs which may arise from the relation with the latter. To such end, the related *CONTRACT* shall be executed. In the event that said contract has already been executed, a contract modification to update the services, rates or any other modification shall be added.

In the event of implementing new software and other equivalent cases, it shall be made progressively, agreeing that *TELEFÓNICA* may require from *THE SUPPLIER* the use and/or adaptation to the use of the new available feature, once the existence of the new software has been notified.

14.2. *THE SUPPLIER* acknowledges:

- That the execution of documents electronically through the E-Commerce Platform of Telefonica is performed by means of an advanced electronic signature system (or another equivalent secure way of electronic identification pursuant to applicable legislation), understanding as such a group of information in electronic format which enables the identification of *THE SUPPLIER* and the detection of any posterior changes in the executed information, which is linked to *THE SUPPLIER* uniquely and to its related information, and which has been created by such means which it can maintain under its exclusive control, in order to identify *THE SUPPLIER*, its authorship and insure the integrity of the executed content.

- That the documents executed electronically through said Platform and pursuant to their terms fully count with the legal effects, the validity, the efficiency of a handwritten document and its evidentiary weight, furthermore the parties hereby expressly agree to it.

*THE SUPPLIER* shall be responsible for the authenticity of the information provided as a result of filling the required forms for the registration and access to the Platform, for maintaining the information provided to *TELEFONICA* updated so as to correspond, at every moment, with the actual situation of *THE SUPPLIER*, of its proxies and agents, for complying with the obligation to safeguard the signature creation data associated to every electronic certificate and its correct use, being *THE SUPPLIER* sole responsible for the damages which may be caused to him or which it causes to *TELEFONICA* or to third parties for said reasons.

*TELEFÓNICA* shall not be liable for any damages which may be caused by the incorrect, illegal or negligent use of the Platform or the electronic signature by
THE SUPPLIER, or for the damages of any nature which may be due to the impersonation of THE SUPPLIER in any type of communication or document executed through the Platform using the advanced electronic signature.

15. LIABILITY

15.1. THE SUPPLIER will execute the purpose of THE CONTRACT under its sole and exclusive liability before TELEFÓNICA for the proper execution of it. The approval or modification by TELEFÓNICA of projects, calculations, plans and other technical documents prepared by THE SUPPLIER will not free it from its liability for the results, being that, in no case will it be shared with TELEFÓNICA.

15.2. Also, THE SUPPLIER will be liable for any damages and harm that can occur to third parties and to TELEFÓNICA because of or due to the supplies performance in the execution of THE CONTRACT or also as a result of the intentional or negligent actions of its personnel, and in particular should compensate it in the case of deterioration, impairment or breakdowns in buildings, installations, machines, devices or fixtures for reasons attributable to personnel of THE SUPPLIER or itself.

15.3. For the purposes expressed in the above section, when TELEFÓNICA awards in favor of THE SUPPLIER the development of the tasks or the provision of services that should be performed in the installations of TELEFÓNICA or third parties already on private premises or on the public highway, THE SUPPLIER undertakes to sign, prior to the start of such works, and to maintain during the term of THE CONTRACT, a liability insurance with sufficient coverage to cover the damages that may be caused to third parties due to the execution of such works or services.

In any case, THE SUPPLIER undertakes to compensate TELEFÓNICA in the case that it had assumed any type of liability for such reason.

15.4. TELEFÓNICA may charge THE SUPPLIER the amount of the penalties or compensations due to a breach of its contractual obligations derived from the rule, convention, or intentional or negligent actions of its personnel, notwithstanding the requirement of compensation for the damages and harm caused and the exercise of the legal actions that TELEFÓNICA deems appropriate in the defense of its interests. In order to fulfill this condition, TELEFÓNICA may compensate the amount of such penalties or compensations against any credit held by THE SUPPLIER before it.
15.5. **THE SUPPLIER** will exclusively and entirely assume the liabilities that may be derived in the case of an insufficiency or imperfection in the materials, devices, utilities, tools, machinery, methods and auxiliary means that are used for the executions of **THE CONTRACT**.

15.6. The contracting or existence of a Liability policy will be required, whose insured is **THE SUPPLIER** for covering the damages and/or harm caused or claimed, directly or indirectly, from **TELEFÓNICA**. The policy will include general liability for the activity, liability corresponding to claims from employees to the employer, and the products or services with a maximum compensation limit in accordance with the turnover and supply type, but not less than the amount indicated in **THE SPECIFIC CONDITIONS**.

The indicated policy or copies of it will be required to be provided during the term of **THE CONTRACT** without at any time the maximum compensation limits being below those required. The breach of these required requirements will not exonerate the provider from any liability not covered by the required insurance contracts.

16. **CONTRACT TERMINATION**

16.1. **THE CONTRACT**, may be terminated for the general causes admitted by law for the termination of the contracts, and for the breach of the obligations established in these **GENERAL CONDITIONS** or the corresponding **SPECIFIC CONDITIONS**, with no other obligation than giving written notice to the defaulting Party which shall be obliged to pay the other for damages and harm occurring for such reason.

16.2. It is expressly established that the total or partial termination of **THE CONTRACT**, due to low quality (condition 6.6.), due to delays in deliveries (condition 6.1) or due to a lack of express authorization for subcontracting (condition 7.2), will be jointly applied with the execution of the bond or, in its absence, the obligation to pay an amount equal to 10% of the terminated **CONTRACT**, in addition to the harm and damaged caused by the breach, in the measure that it exceeds such amount.

16.3. Other reasons for terminating **THE CONTRACT** will be:

1. The death, cessation of activity or incapacity supervening **THE SUPPLIER** or the extinction or transformation of the legal nature of **THE**
SUPPLIER. If this were the case, TELEFÓNICA may require the continuation of THE CONTRACT with the new entity, which will be surrogated in all of the rights, obligations and liabilities under it.

2. Cases of Executive Claim, Liens or other cautionary means ruled against THE SUPPLIER or, where appropriate, the SUBCONTRACTOR.

3. Due to abandonment or cease of the supply entrusted to THE SUPPLIER under the terms set in the PARTICULAR CONDITIONS or in THE CONTRACT.

4. Due to breach of the instructions received from TELEFÓNICA to correct deficiencies observed in the execution of THE CONTRACT, under the terms set in THE SPECIFIC CONDITIONS or therein.

5. Due to transmission, assignment or transfer by THE SUPPLIER of all or some of its contractual obligations or by a SUBCONTRACTOR without prior written authorization from TELEFÓNICA.

6. Due to force majeure that hinders the execution of THE CONTRACT, under the terms set in THE SPECIFIC CONDITIONS or in THE CONTRACT.

Any unforeseeable event will be understood as force majeure, or any event that is unavoidable, that hinders the execution of the purpose of THE CONTRACT, which should be reported to TELEFÓNICA on the day following the occurrence of the lack of service.

7. When THE SUPPLIER breaches the assumed obligation, uses staff from TELEFÓNICA in its service, or breaches its confidentiality agreement or its obligation to secrecy or the adoption of safety measures on the personal data.

8. Because of THE SUPPLIER misuse of the name and/or distinctive signs or brands of TELEFÓNICA.

9. When THE SUPPLIER misuses its access card for the installations of TELEFÓNICA or the installations themselves.

The termination of THE CONTRACT for the aforementioned reasons, or others attributable to THE SUPPLIER, will entail the obligation to pay TELEFÓNICA the amount corresponding to the direct or indirect damages and harm caused by the termination of THE CONTRACT.

Also, THE SUPPLIER undertakes to communicate to TELEFÓNICA, as soon as possible, regarding any change that may affect its shareholding. TELEFÓNICA
may, if it so decides, terminate **THE CONTRACT** for such reason without **THE SUPPLIER** having a right to any compensation or indemnity.

In the case that **TELEFÓNICA** had made the decision to terminate **THE CONTRACT** for any of the aforementioned causes, it will be effective, after a written communication to **THE SUPPLIER** has been done. From that very moment **TELEFÓNICA** may entrust to a third party the execution of the purpose of **THE CONTRACT**.

The termination of **THE CONTRACT** will result in the corresponding liquidation, applying where appropriate penalties or amounts for damages and harm in order to put the pertinent balances in favor of or against **THE SUPPLIER**.

The termination of **THE CONTRACT** should always report it in writing to the other party, indicating:

1) The reasons for termination;
2) The corresponding liquidation;
3) The indemnity for damages and harm, indicating the period in which it operates;
4) Whether the Bond will be executed or not and
5) The application of penalties, if appropriate.

The right to terminate **THE CONTRACT** at any time for any justified reason of force majeure is acknowledged. In such case, due to such termination there will be no compensation for damages and harm which such circumstance may cause.

17. **EXCLUSIVITY**

**TELEFÓNICA** reserves the right to award the provision covered by this **CONTRACT** to as many successful bidders as it deems necessary, and therefore, no exclusivity favorable to **THE SUPPLIER** will be considered to be granted.

In the cases in which **TELEFÓNICA** requires it in **THE SPECIFIC CONDITIONS**, during the term of **THE CONTRACT** **THE SUPPLIER** will undertake to and is obligated to not provide supplies and/or works similar to those subject to the scope of application of **THE GENERAL CONDITIONS**, with companies that compete with **TELEFÓNICA**, unless expressly authorized in writing by the latter.
18. **CONTRACTUAL AMENDMENT**

If subsequent to granting a contract under the scope of application of this document, and as a result of new needs or of reasons unforeseen at the time of signing **THE SPECIFIC CONDITIONS** or **SPECIFICATIONS** there were a need to introduce amendment to their content, these should be accepted by **THE SUPPLIER** and **TELEFÓNICA** mutually agreeing to any technical, economic or term adjustments which, where appropriate, are applicable, that should be listed in the corresponding attachment of **THE CONTRACT** and will be adjusted to the provisions established in this document.

19. **NOTIFICATIONS**

Any notification or communication between **TELEFÓNICA** and **THE SUPPLIER** should be made in writing in a way that allows the sender to accredit or create a record of its receipt by the recipient.

The addresses and individuals authorized for making and/or receiving should notification will be determined in **THE CONTRACT**.

20. **NORMATIVE REFERENCES**

In general and with relation to the normative references that appear in **THE GENERAL CONDITIONS** and in the rest of the contractual documentation it is understood that:

1) Unless error or omission, these are made in accordance with the Law and regulations that is applicable to during the drafting of these documents.

2) Notwithstanding the above, that if such laws and regulations are complemented, modified or substituted by others, the references will be understood as updated to the laws and regulations that are current at the time.

3) That in the case that the execution of **THE CONTRACT** takes place in a country other than Spain, the applicable laws and regulations will be that which regulates these matters in the country in question, unless the corresponding **SPECIFIC CONDITIONS** establish a different regulation.
21. **JURISDICTION**

**THE SUPPLIER** and **TELEFÓNICA** voluntarily waive the jurisdiction that may correspond to them and expressly submit themselves for the resolution of any controversy or discrepancy regarding the execution, interpretation or fulfillment of **THE CONTRACT**, to the jurisdiction of the Courts and Tribunals of the capital of the country where **TELEFÓNICA** is domiciled, unless another jurisdiction were provided for in the provisions of **THE SPECIFIC CONDITIONS**.
ANNEXES

Nº1- PERSONAL DATA PROTECTION AGREEMENT
ANNEX 1

In [...], on [...], 20[...]

PERSONAL DATA PROTECTION AGREEMENT

[***] incorporated and registered in [***] with tax identification number [***] whose registered office is at [***] (hereinafter the “Customer” or “Controller”), and, and on its behalf, Mr. [***], with Identity Card number [***], acting as a Legal Representative by virtue of the explicit power of attorney adopted by, and raised to a public document on [***] before the Public Notary of [***], Mr. [***], with number [***] of his official records, and

[***] incorporated and registered in [***] with tax identification number [***] whose registered office is at [***] (hereinafter the “Provider of the Service” or “Processor”), and, and on its behalf, Mr. [***], with Identity Card number [***], acting as a Legal Representative by virtue of the explicit power of attorney adopted by, and raised to a public document on [***] before the Public Notary of [***], Mr. [***], with number [***] of his official records, and Hereinafter will be jointly referred to as the “Parties” and individually as the “Party”.

If, as a consequence of the execution of the present Contract the Provider of the Service should have access and should perform any kind of processing of the personal data of which the Customer is the controller, this will be done in its condition as “the Processor”, in accordance with what is established in article 28 of the GDPR.

The Processor undertakes to respect the following provisions at all times

INTRODUCTION

I) The correct execution of the present Contract may require that the Provider of the Service should perform any kind of processing of personal data on behalf of and in the name of the Customer. The nature and the categories of personal data are set out in Appendix A.

II) For the purpose of complying with what is established in the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 regarding the protection of individuals with regard to the processing of personal data and the free movement of said data (henceforth “GDPR”), applicable from 25 May 2018, and the remaining applicable legislation regarding data protection, both Parties want to sign the present Personal Data Protection Agreement which regulates the processing of personal data.

CLAUSES

1. Commitments of the Services Provider as Processor.

1.1 The Processor shall comply, at all times, with all the obligations that are stipulated for the processing in accordance with what is established in the GDPR and any other regulations (national or supranational) that may be applicable at any given time, and with the reasonable and documented instructions of the Controller.
which are considered part of this Agreement, at all times providing sufficient guarantees to apply adequate technical and organizational measures for this purpose. Specifically, the Processor agrees, without any additional cost, to:

i. Process the personal data strictly necessary for the execution of the present contract, and may not communicate or deliver them to third parties in any case, unless it has the express authorization, and in writing, of the Controller for those legally admissible assumptions. In no case, the Processor shall use said personal data for its own purposes (including backup copies) and/or different purposes. If the Processor, for legal reasons, must share information with a legal authority, the Processor shall immediately notify the Controller.

ii. The personal data to be processed shall be the exclusive property of the Controller, also extending this ownership to as many preparations, assessments, segmentations, or similar processes that, in relation to them, are done by the Processor in accordance with the contracted services, with the Parties stating that these personal data will be confidential for all intents and purposes.

iii. Maintain a documented record of all the categories of processing activities carried out on behalf of the Controller within the framework of this Contract, which contain:

a. the name and contact details of the Processor or subcontractors, and of each Controller on behalf of whom the Processor acts, as well as, as the case may be, of the representative of the Controller or Processor and, as the case may be, of the data protection officer;

b. The categories of the processing carried out on behalf of each Controller;

c. As the case may be, said transfers of personal data to a third country or international organization, including the identification of that third country or international organization and, if necessary because of the Applicable Data Protection Regulation, the documentation of suitable safeguards;

d. A general description of the technical and organizational security measures;

iv. Assist the Controller, taking account the nature of the processing, through appropriate technical and organizational measures, whenever possible, so that it can comply with its obligation to respond to the requests whose objective is the exercise of the rights of the data subjects, this is, the rights of transparency, information, access, rectification, and erasure (right to be forgotten), restriction of processing, portability, object, or not to be the
subject to a decision based solely on automated processing (including the profiling), among others specified in Chapter III of the GDPR. In any case, when the data subjects exercise the aforementioned rights in respect of the Processor, it must communicate this situation to the Controller. The communication must be done immediately and in no case later than the business day following the reception of the request, together, as the case may be, with other information that may be relevant to resolve the request.

v. In general, it is the Controller who must facilitate the right of information at the moment of the data collection. However, if the Processor should collect the data on behalf of the Controller, it will be the Processor who will have to facilitate the information that is related to the data processing that will be carried out, in accordance with the applicable data protection regulations. The wording and format in which it will be facilitated must be agreed with the Controller before the beginning of the data collection.

vi. Assist, collaborate, cooperate, and actively help the Controller in relation to the performance of the data protection impact assessments in the terms of article 35 of the GDPR.

vii. Assist, collaborate, cooperate, and actively help the Controller in the execution of the prior consultation to the competent supervisory authority, where appropriate, in the terms of article 36 of the GDPR, taking into account the nature of the processing and the available information of the Processor.

viii. Assist, collaborate, cooperate, and actively help the Controller in relation to the notifications and communications of a personal data breach to the supervisory authorities and data subjects in the terms of articles 33 and 34 of the GDPR, respectively.

ix. According to the choice of the Controller, delete or return in a legible format all the personal data once the provision of the services of this Contract ends, deleting the existing copies unless their retention is required (in any case, applying the relevant security measures, in accordance with the GDPR and other applicable regulations) of the personal data by virtue of the Right of the Union or the Member States, providing, if so requested by the Controller, a certificate of compliance of the previously signed by authorized representatives of the Processor, or by an independent third party of recognized prestige. The Processor must comply with any request for deletion or return of personal data made by the Controller within 5 business days from the request.

x. Guarantee the training and awareness necessary in terms of personal data protection of the people authorized to process the Personal Data. Specifically, to guarantee that its personnel is aware of the security
measures used by the Processor, how to apply them, and how to respond to incidents related to personal data breach.

xi. In the event that the Processor is not established in the Union and is processing the personal data of data subjects that are in the Union, it must designate a representative in a Member State, in accordance with what is established in article 27 of the GDPR. The representative of the Processor shall be expressly designated by written mandate from the Processor and will at all times act on its behalf.

xii. Designate, where appropriate, a data protection officer.

xiii. In the event that adherence to a Code of Conduct or Certification Mechanism is intended, the Processor shall work closely in everything so that the Controller can achieve the required security standards.

2. Technical and organizational security measures

2.1 The Processor shall adopt the technical and organizational measures, taking into account the state of the art, the costs of implementation, and the nature, scope, context, and purpose of the processing, as well as risks of varying likelihood and severity for the rights and freedoms of natural persons that are appropriate in each case to guarantee an adequate level of security regarding the risk, as well as the rights of the data subjects, in accordance with what is established in article 32 of the GDPR. When assessing the adequate level of security, the Processor agrees to also take into account the risks presented by the processing, specifically due to the accidental or illegal destruction, loss, and modification, and the unauthorized communication of, or access to, personal data that is transmitted, stored, or subject to any other type of processing.

In any case, it will implement the security measures indicated in Appendix C of this Agreement and, specifically, but not limited to, the following measures:

- measures that make it possible to restore the availability and access to the Personal Data in a timely manner in the event of a physical or technical incident;
- necessary measures to ensure the ongoing confidentiality, integrity, availability, and permanent resilience of the processing systems and services;
- measures that make it possible to regularly test, evaluate, and assess the effectiveness of the technical and organizational measures implemented to guarantee the security of the processing;
• in cases where necessary, pseudonymisation measures and the encryption of personal data;

2.2 In any case, the Processor agrees to adequately monitor the compliance of these technical and organizational measures, and to annually justify to the Controller the compliance of said measures through the delivery of a certificate of compliance prepared by an independent expert of recognized prestige in the market.

3. **Subcontracting**

3.1 The subcontracting of all or part of the services entrusted to the Processor is forbidden unless prior and writing authorization from the Controller, notwithstanding the subcontracting of auxiliary services for the normal functioning of the services of the Processor provided that this does not imply an access to the Personal Data by the subcontractor.

3.2 If the Processor should proceed to subcontract, the subcontractor shall also be regarded as processor in the same terms as the Processor in this Agreement. In this sense, the Processor agrees to sign an agreement of confidentiality and data processing with the third party subcontractor through which the subcontractor agrees to comply with the obligations of this Agreement, in the same manner as the Processor, as well as to follow the instructions of the Controller in relation to the processing of the Personal Data. In any case, the same data protection obligations will be imposed on the subcontractor in such a way that the processing complies with the provisions of the GDPR.

3.3 In any case, the Processor and the subcontractor shall be jointly liable for the actions and omissions of the subcontractor.

3.4 Once said agreement with the subcontractor is signed, the Processor agrees to provide the Controller a copy of said agreement for the purposes of certifying the compliance of what is established in the present.

3.5 For the purposes of the subcontracting authorization, the Controller authorizes the subcontracting by the Data Processor of the third parties and services specified in Appendix B of this Agreement. In any case, the Processor will inform the Controller in advance, of any planned change in the incorporation or substitution of other subcontractors, thus giving the Controller the power to oppose said changes or substitutions.
4. International Transfers

4.1 In no case the Processor may perform actions related to the processing that involve an international transfer of personal data without the prior written authorization of the Controller. When requesting authorization, the Processor must have obtained the required authorizations or guarantee the required measures that legitimize said transfers, in accordance with articles 44 and following of the GDPR prior to its execution, including, as the case may be, the submission to the standard contractual clauses in force at the time of the execution of the international transfer and approved by the European Commission, in accordance with the procedures established for said purposes in the GDPR, and subject to the enforceable rights of the data subjects and effective legal actions for the data subjects are available.

4.2 The authorization of the Data Controller shall be required, unless the Processor has to perform an international transfer by virtue of the Right of the Union or of the Member States that are applied to the Processor, the Processor shall immediately inform the Controller of that legal demand before performing said transfer, unless this is not permitted for important reasons of public interest, in accordance to what is established in the GDPR.

4.3 In addition, the Processor must indicate if he intends to provide part of the service from a country outside the European Economic Area, either directly by the Processor, or by any subcontractor. In such case, it will be subject to compliance with the requirements applicable in this clause 4 and to that set forth in clause 3 "Subcontracting".

5. Personal Data Breach

5.1 In the event of an incident that may involve a personal data breach, the Processor shall notify said breach to the Controller without undue delay and, in any case, no later than 24 hours after it has had evidence of the incident, in the email address DPO_telefonicasa@telefonica.com.

5.2 Since the moment it becomes aware of the incident, the Processor shall adopt the necessary measures to address the personal data breach, including, if appropriate, measures to mitigate the possible adverse effects.

5.3 Without prejudice to the foregoing, the Processor will execute as fast as possible the instructions that the Controller may request regarding a personal data breach that is notified to it.
5.4 The notification referred to in the first paragraph must include the information included in Appendix D. In any case, the Processor shall implement and maintain a documented security incidents management process that, at least, includes the identification, date of detection, classification, prioritization, scaling, research and diagnosis, resolution, and recovery and closure.

5.5 In the event of a non-compliance of the data security, and if it is required by the Controller, the Processor shall cooperate with speed and integrity in the research and management carried out by the Controller, including: help in any research, facilitate interviews with any personnel of the Processor and other people involved in the matter, to make available all the records, logs, files, data reports, and other materials related to the personal data breach.

5.6 The Processor shall ensure that any of its security contacts is available to help and provide support to the Controller in relation to any personal data breach.

6. **Confidentiality**

6.1 The Processor agrees to comply with the obligation of confidentiality and secrecy regarding the facts, personal data, information, knowledge, documents, and other elements to which it has access because of the provision of the agreed service, without being able to keep a copy, or use it, for any purpose other than what is expressly established in this Agreement.

6.2 Furthermore, the Processor agrees that the confidential information will only be available to those natural or legal persons who need the information for the development of tasks for which the use of said information is strictly necessary. In this regard, the Processor shall warn said natural or legal persons of their obligations regarding confidentiality, ensuring compliance with said obligations, and will ensure that the persons authorized by the Processor within its organization to process Personal Data will have expressly agreed, and in writing, to respect the confidentiality and to comply with the corresponding security measures in the terms equal to those established in the Agreement.

6.3 These obligations of confidentiality will remain even after the termination of the present Contract.
7. **Access to personal data by employees/third parties**

7.1 The Processor assumes the obligation to transfer and gather the express agreement, and in writing, of those employees who access to personal data and any kind of information of the Controller, assuming all responsibility for the compliance of the obligations contained in the Agreement by said employees.

7.2 The Processor guarantees to the Controller that it will provide the necessary training in terms of data protection to all those persons authorized to access them. The Processor shall keep the documentation accrediting compliance with these obligations available for the Controller.

7.3 It will be the sole obligation and responsibility of the Processor to control and update the nominal list of all those employees who access the systems of the Controller, and must provide to the latter, whenever it so requires and without undue delay, said updated list.

8. **Right of information in the collection of personal data on behalf of the Controller.**

8.1 When the service entrusted to the Processor requires the collection of personal data on behalf of the Controller, the Processor agrees to inform said customers prior to the collection of the personal data, and with the informative clause drafted for this purpose by the Controller, that said data collection is performed in the name and on behalf of the Controller, and that the data will be incorporated in a processing registry that is the responsibility of the latter, for the purpose of offering them a certain product or service.

8.2 The Processor has the obligation to keep the proof of compliance with the legitimacy of the processing, in the form determined by the Controller. Similarly, guaranteeing the data subject the adoption of the necessary measures to ensure the confidential processing of their data is mandatory, informing them of the possibility of exercising the rights of access, rectification, erasure, restriction of processing, portability, and object, as indicated in clause 1.1. iv. of the present Agreement.

9. **Audits**

9.1 The Processor agrees to make available to the Controller, within a period of 15 days from the request, all the information necessary to demonstrate compliance with the obligations established in this Agreement, as well as to enable and contribute to the performance of audits of its information systems, including
inspections, by the Controller or any other auditor authorized by the Controller who, in any case, will have the right to perform as many audits and/or inspections it deems appropriate to the Processor to verify compliance with this Agreement, as well as the rest of the provisions established in the GDPR, even once the provision of the services of this Contract has ended.

10. Personal contact information of the Parties

10.1 Each Party is hereby informed that the contact information of their representatives and employees will be processed by the other Party for the purpose of making it possible to develop, comply, and control the agreed upon provision of services relationship, with the basis of the processing being the compliance of the contractual relationship, retaining the data during the entire time that this relationship exists, and even after that, until any potential liabilities stemming from the relationship prescribe. In addition, each of the Parties shall comply with its obligation of information to their respective representatives and employees.

10.2 The data of the Parties may be communicated to banks and financial entities for the management of collections and payments, to the Tax Agency and other Public Administrations for the purpose of carrying out the corresponding tax declarations and complying with their respective legal obligations, in accordance with current regulations, and to the Public Administrations in the cases stipulated by Law for the purposes defined therein.

10.3 The Parties may request access to the personal data which is referred to in this clause, its rectification, erasure, portability, and restriction of its processing, as well as object said processing, in the domicile of the other Party.

11. Liability

11.1 The Processor shall be responsible for the actions that may lead to penalties or fines that for said infractions were attributable to the Controller, or to claims for damages stemming from the non-compliance of the aforementioned, and shall compensate the Controller for the amounts that for said reason it has had to pay, including legal and out-of-court expenses and costs that the defence of the Controller may incur in.

11.2 The Controller may directly claim against the Processor any economic sanctions that may be imposed on it by the competent data protection authority as a consequence of said non-compliance.
12. Non-compliance

12.1 The non-compliance by the Processor of the present Data Protection Agreement will entitle the Controller to terminate the contract for the provision of services referred to in the present Agreement.

13. Applicable law and jurisdiction

13.1 The present Agreement shall be governed and interpreted according to Spanish law, and the competent jurisdiction for any disputes shall be the Courts of the city of Madrid. Any controversy between the Parties must be previously raised to the Monitoring Committee established by the Parties for monitoring the present Agreement and/or the Services Contract. In the event that there is no agreement between the Parties, in this case it shall be subject to the indicated jurisdiction.

13.2 If a provision of this Agreement is now, or in the future, declared null, or a truly necessary provision should not be included, the validity of the remaining provisions of this Agreement will not be affected. Any null provision or legal loophole shall be replaced by a valid legal precept corresponding to the greatest extent possible to the potential plans or intentions of the Parties, in accordance with the purpose of the present Agreement if the Parties had been aware of the legal loophole.

14. Validity of the Agreement

14.1 If the personal data is placed at risk by seizure or confiscation, insolvency proceedings, composition procedures or similar events or measures by third parties while it is under the responsibility of the processor, said situation must be reported to the Controller without delay. Furthermore, all relevant parties in said action must, without undue delay, be informed that the sovereignty of the aforementioned data lies with the Controller.

15. Appendices:

- Appendix A: Type of personal data and processing activities
- Appendix B: Subcontractors/subprocessors
- Appendix C: Security Measures
- Appendix D: Notification of a personal data breach

In witness whereof, the Parties in two counterparts, each an original, sign this Agreement in ............ on .........

THE CUSTOMER

THE PROCESSOR
## APPENDIX A:

### TYPE OF PERSONAL DATA AND PROCESSING ACTIVITIES

To be completed and complemented by the competent department of the Data Controller along with the Data Processor.

*Ticking the boxes is possible via double-click on the box and selecting "Activated" under “Default”.

<table>
<thead>
<tr>
<th>1.1</th>
<th><strong>Nature and purpose of data processing</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><em>Detailed explanation why data are processed at all and to what extent, e.g. provision of an Internet portal, sending out advertising letters via mail for the period of ..., inspection and maintenance of the following systems: ..., compliance with statutory regulations pursuant to law ...., etc.</em></td>
</tr>
<tr>
<td></td>
<td>Remarks shall be made here, the sole reference to other documents is not sufficient. Documents referred to additionally shall be attached to this agreement as a print-out annex.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>1.2</th>
<th><strong>Specification of data processing</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><em>Mark with an x</em></td>
</tr>
<tr>
<td></td>
<td>- Massive data loading in the system</td>
</tr>
<tr>
<td></td>
<td>- Extraction</td>
</tr>
<tr>
<td></td>
<td>- Structuring</td>
</tr>
<tr>
<td></td>
<td>- Transmission</td>
</tr>
<tr>
<td></td>
<td>- Conservation</td>
</tr>
<tr>
<td></td>
<td>- Interconnection</td>
</tr>
<tr>
<td></td>
<td>- Consultation (only at the request of the responsible of the treatment for the resolution of incidents)</td>
</tr>
<tr>
<td></td>
<td>- Limitation</td>
</tr>
<tr>
<td></td>
<td>- Broadcast</td>
</tr>
<tr>
<td></td>
<td>- Destruction</td>
</tr>
<tr>
<td></td>
<td>- Collation</td>
</tr>
<tr>
<td></td>
<td>- Comunication</td>
</tr>
<tr>
<td></td>
<td>- Suppression</td>
</tr>
<tr>
<td></td>
<td>- Conservation</td>
</tr>
<tr>
<td></td>
<td>- Other: describe………………………………………</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>1.3</th>
<th><strong>Types of personal data</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><em>Indicate the personal data that the Processor will have access during the processing.</em></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>1.4</th>
<th><strong>Data subjects</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><em>i.e. Employees of the Controller, Clients, others.</em></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>1.5</th>
<th><strong>Data Controller information</strong></th>
</tr>
</thead>
</table>
|     | *Name:*
|     | *Department:*
|     | *Phone number:*
|     | *Email address:* |
### 1.6 Data Processor

*The Data Processor will be appointed, including the legal form, address, telephone number and email address.*

<table>
<thead>
<tr>
<th>Name:</th>
<th>Adress:</th>
<th>Phone number:</th>
<th>Email address:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 1.7 Establishments of Processor

*Addresses where personal data of Controller will be processed or accessed by Processor (i.e. several subsidiaries)*

<table>
<thead>
<tr>
<th>Name/Department:</th>
<th>Phone number:</th>
<th>Email:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 1.8 Data Protection Officer

Name and contact information (at least, telephone number and email address) of the data protection officer.

<table>
<thead>
<tr>
<th>Name/Department:</th>
<th>Phone number:</th>
<th>Email:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 1.9 Responsible Department of the Controller

The internal department that has to make this request or is responsible for defining the content and data.

<table>
<thead>
<tr>
<th>Name/Department:</th>
<th>Phone number:</th>
<th>Email:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 1.10 Authorized Persons / Departments to Issue Instructions to the Data Processor

The persons or departments of the Controller authorized to order the changes in the processing must be designated (to be defined within the contracting department).

<table>
<thead>
<tr>
<th>Name/Department:</th>
<th>Phone number:</th>
<th>Email:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 1.11 Recipient of the Data Processor to receive instructions from the Data Controller.

The persons or departments of the Data Processor authorized to receive instructions from the Controller.

<table>
<thead>
<tr>
<th>Name:</th>
<th>Phone number:</th>
<th>E-mail:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 1.12 BA-No./Purchase Order/Service of the Agreement:

As soon as the number under which the Processor will be obliged is known, it shall be entered here.

### 1.13 Commencement of Processing

- [ ] commenced for:
- [ ] commenced on:

### 1.14 Scheduled Duration of Assignment

- [ ] unlimited:
- [ ] limited up:

### 1.15 On-Site Controls of the Implementation of the Technical and Organisational Measures at the Premises of the Processor

- [ ] no, not carried out yet / not planned
- [ ] An on-site control at the premises of this Processor was/will be carried out by the Controller was/will be carried out by the Controller on
APPENDIX B

SUBCONTRACTORS- SUBPROCESSORS

a) Introduction

This Appendix describes, the Processor´s subcontractors for the provision of the services covered by the contract.

To be completed by the Data Processor. If necessary, please add additional lines. Ticking the boxes is possible via double-click on the box and selecting “Activated” under “Default”. All applicable boxes shall be ticked here.

Sub-contractors will be/have been assigned with the performance of a part of the services for the fulfillment of the main agreement:

☐ Yes => The following chart shall be completed. Other sub-contractors processing or having the possibility of access to Controller’s personal data and not listed in the chart have not been commissioned by the Data Processor.

☐ No =>, No further information is necessary.
<table>
<thead>
<tr>
<th>Sub-contractor/ Group company details</th>
<th>Location of storage/ of intended access to Personal Data as intended [if differing from address of sub-contractor]</th>
<th>Does any processing of or any access to Personal Data from third countries (outside the EU/EEA) take place? [e.g. through the commissioning of additional contractors by the commissioned sub-contractor]</th>
<th>Subject matter of sub-processing and categories of Personal Data being processed</th>
<th>In case of international transfer of personal data takes place, description of the guarantees offered (Commission Decision, standard contractual clauses, authorization of supervisory authority, other guarantees ...)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name/entity: Address: Data protection officer incl. contact data:</td>
<td>Address:</td>
<td>☐ Yes, [please specify which contractor, address/location of potential data access, type of service and data categories] ☐ No, access to Personal Data is precluded.</td>
<td></td>
<td>☐ Yes, existing ☐ No, because</td>
</tr>
<tr>
<td>Name/entity: Address: Data protection officer incl. contact data:</td>
<td>Address:</td>
<td>☐ Yes, [please specify which contractor, address/location of potential data access, type of service and data categories] ☐ No, access to Personal Data is precluded.</td>
<td></td>
<td>☐ Yes, existing ☐ No, because</td>
</tr>
</tbody>
</table>
APPENDIX C

SECURITY MEASURES

Taking into account the state of the art, the application costs, and the nature, scope, context, and purpose of the processing, as well as variable risks of probability and severity for the rights and liberties of individuals, the Processor will apply adequate technical and organizational measures to guarantee an adequate level of security regarding the risk, which, as the case may be, may include, among others:

a) the pseudonymisation and encryption of personal data;
b) the ability to ensure the continued confidentiality, integrity, availability and resilience of processing systems and services;

c) the ability to restore availability and access to personal data quickly in the event of a physical or technical incident;
d) a process of regular verification, evaluation and assessment of the effectiveness of technical and organisational measures to ensure secure processing.

For its compliance, the Processor shall assess the adequacy of its current level of security as well as the risks that may affect the security of the data, in accordance with a recognized and sustainable methodology in this matter, and which takes into account the consequence of the destruction, loss, or accidental or illegal alteration of the personal data that is transmitted, stored, or otherwise processed, or the unauthorized communication or access to said data.

Furthermore, it must implement a set of controls and security measures recognized in information security standards or regulations that develops, at least, the following information security domains as applicable and whenever possible:

i) Information Security Policies.

ii) Security organization.

iii) Safety related to people.

iv) Assets Management.

v) Access Control.

vi) Classification and Processing of Information.

vii) Physical Security.

viii) Infrastructure security.

ix) Operations security.

x) Network and communications security.


xii) Incidents management.

The Processor must provide the Controller all the information necessary to demonstrate compliance of its obligations, as well as for the execution of the audits or inspections performed by the Controller or other authorized auditor.

Furthermore, if the current regulations in terms of data protection or any other related regulation that is applicable to the processing that is the subject of the present contract
should be modified, the Processor guarantees the implementation and maintenance of any other security measures that may be required without this implying a modification of the terms of the present contract.

In the event of a personal data breach in the information systems used by the Processor, the Processor must notify the Controller, without undue delay and in any case before the maximum period of 24 hours, the personal data breaches that said Processor is responsible for and that it is aware of, together with all the relevant information for the documentation and communication of the incident, in accordance with what is established in article 33.3 of the GDPR.

In said case, the Controller will be responsible for communicating the personal data breach to the Data Protection Authority and/or stakeholders, in accordance with what is established in the current regulations.
APPENDIX D
NOTIFICATION OF A PERSONAL DATA BREACH

1) Identification of the processor.
   a. Name of the processor.
   b. The name and contact information of the Data Protection Officer or other contact point of the processor in which more information can be obtained.
   c. Indication of whether this is a first or second notification.

2) Initial information regarding a personal data breach case (complete in subsequent notifications, as the case may be).
   a. Date and time of the incident and the detection of the incident.
   b. Circumstances in which the personal data breach occurred (for example, loss, theft, copy, etc.).
   c. Nature and content of the personal data in question.
   d. Technical and organizational measures that the processor has applied (or will apply) to the personal data in question to mitigate the possible adverse effects.
   e. Reference to other processor or subcontractors (where appropriate).

3) Supplementary information regarding the case of personal data breach:
   a. Summary of the incident that has caused the personal data breach (with an indication of the physical location of the breach and the storage media).
   b. Number of affected data subjects or subscribers/users.
   c. Possible consequences and negative effects to the data subjects or subscribers/users.
   d. Technical and organizational measures that the Processor has adopted to mitigate the potential negative effects.

4) Possible additional notification to the data subjects or subscribers/users:
   a. Content of the notification.
   b. Communication media used.
   c. Number of data subjects or subscribers/users to whom the notification has been sent.

5) Possible issues of a cross-border nature:
   a. Case of personal data breach that affects data subjects or subscribers/users from other member States
   b. Notification to other national competent authorities
   If simultaneously facilitating the information is not possible, and as long as it is no possible, the information will be gradually facilitated without undue delay.