

# Standard Terms and Conditions for Arqit Products and Services (STCs)

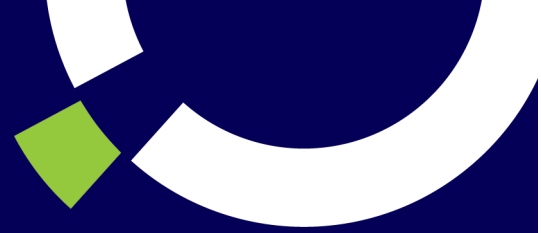
## PART A: GENERAL TERMS

### 1. SCOPE OF AGREEMENT

- 1.1. These standard terms and conditions ("**STCs**") apply to the purchase by Customer and supply by Arqit of Arqit Products and/ or Services. Please refer to PART D: (Definitions and Interpretation) for a list of definitions that apply to the capitalised terms used in this document.
- 1.2. Order of Precedence: In the event of any conflict or inconsistency between the terms set out in the Agreement (as defined in this subsection), those listed first will have precedence and apply in place of such conflict or inconsistency in each subsequently listed document: (i) the Order; (ii) these STCs; (iii) any Maintenance Contract; (iv) the Documentation; and (v) Online Policies and Guidelines (together, referred to as the "**Agreement**").
- 1.3. Application of these STCs. The terms and conditions set out in these STCs apply as follows:
  - (a) **PART A: (General Terms)** sets out the general terms and conditions that apply to all Products and Services;
  - (b) **PART B: (Arqit Products License Terms and Conditions)** sets out the rights granted to Customer to Use the Arqit Products and Documentation, including any Software rights and restrictions and other general terms relating to the Arqit Products and Software contained therein;
  - (c) **PART C: (Maintenance and Support Services)** sets out the terms relevant to the supply of any Software Maintenance and Support Services other limited support services and notifications for End of Support and End of Service of Software;
  - (d) **PART D: (Definitions and Interpretation)** sets out the defined terms and rules of interpretation that are used throughout the Agreement; and
  - (e) **PART E: (Country Specific Terms)** sets out any country specific terms that modify or replace the relevant sections of these STCs in the stated territory/ies.

### 2. FEE AND PAYMENT

- 2.1. Fees. Products and Services are supplied in consideration for the Fee. Customer shall pay the Fee for the Products and/or Services in accordance with the payment instructions (including invoicing schedule and payment terms) stated in the Transaction Document. In the absence of any instructions, Customer shall pay in accordance with this Section. Fees shall be non-cancellable and non-refundable unless otherwise agreed by Arqit.
- 2.2. Payment. All payments by Customer shall be in the currency set out in the applicable Transaction Document. All prices and fees payable under the Agreement are exclusive of value added tax or other similar sales, duties (including stamp duty), levies, withholding, deduction and/or any other governmental charge or other similar taxes or fees (together "**Taxes**") that are or may become payable in connection with Customer's Use and receipt of the Products and Services and any Hardware. Customer shall be responsible for paying all Taxes arising from the purchase and consumption of the Products, Services and/or Hardware. All payments made by Customer shall be net of any applicable Taxes and without counterclaim or set-off. If necessary, Customer will provide reasonable assistance to Arqit in connection with such withholding taxes by promptly: providing Arqit



with valid tax receipts and other required documentation showing Customer's payment of any withholding taxes; completing appropriate applications that would reduce the amount of withholding tax to be paid; and notifying and assisting Arqit in any audit or tax proceeding related to transactions hereunder.

- 2.3. Invoicing. Unless otherwise stated in the Transaction Document, Fees shall be invoiced 100% in advance of supply (of Services) or Activation (of Arqit Products). All payments are due and payable in cleared funds to Arqit's nominated account set out in Arqit's invoice within 30 days of the invoice date or prior to the start date of Services or Activation of the Products (if earlier).
- 2.4. Professional Services Expenses. Unless otherwise expressly stated on the applicable Transaction Document, Fees are quoted exclusive of Arqit's travel and accommodation costs and expenses which shall be invoiced by Arqit following incurrence. Any agreed discounts will not be applied to the expenses line.
- 2.5. Payment Default. If Customer fails to make any payment due to Arqit under the Agreement by the due date for payment, then, without limiting Arqit's remedies under the Agreement: (a) the remaining instalments for Fees due under a Subscription License, Perpetual License or Maintenance Contract or for any Hardware shall accelerate and become immediately due and payable; and (b) Arqit may charge Customer interest at the annual rate of 4% over the base rate of the Bank of England from time to time in force or the maximum amount permitted under Applicable Law. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. Customer shall pay the interest together with the overdue amount. In addition, Customer shall upon demand promptly pay, or reimburse Arqit for, all Arqit's costs and expenses (including any external legal costs) incurred in the collection of any overdue and unpaid amounts from Customer. The payment obligations stated in this Section shall survive termination or expiration of the applicable Transaction Document or the Agreement.

### 3. CUSTOMER RESPONSIBILITIES

- 3.1. Customer shall not: (i) authorise or allow any person's or entity's direct or indirect access to the Products (or any part of the Products) other than a User or Users acting for Customer's sole benefit in furtherance of Customer's business operations; (ii) Use the Products with Third Party products other than those for which the Products were purchased or otherwise intended to be used with the Products, as stated in any of the applicable Documentation; (iii) interfere with or disrupt the integrity or performance of the Products or Third-Party data contained therein; (iv) attempt to gain unauthorised access to the Products or their related systems or networks; (vii) permit any third party to access the Products except as permitted herein. Arqit reserves the right, without liability, to disable Customer's access to the Products and cease provision of the Services in the event of any breach by Customer or its Users or anyone acting on Customer's behalf, of the provisions set forth in this subsection. Customer shall be responsible for the accuracy and completeness of the information Customer provides to Arqit.
- 3.2. Network Connection. Where necessary to receive or Use the Product or for Arqit to provide the Services, Customer shall be solely responsible for procuring and maintaining any necessary network connections and telecommunication links from its or a Third Party's applicable systems to Arqit's or Arqit's Third-Party servers from which the Products and Documentation are accessed or as required as part of provision of the Services. Customer shall be solely liable for problems, conditions, delays, delivery failures and all other loss or damage arising from or relating to the provision of network connections or telecommunications links, or internet connection pursuant to this subsection.
- 3.3. Passwords. Customer may be provided with a password to access the Products and/or Services. Customer will keep confidential and not disclose to any third parties any user identifications, passwords or account detail. Customer will have sole responsibility for maintaining the confidentiality of and preventing the unauthorised use of any passwords to access or Use of the Products and/or

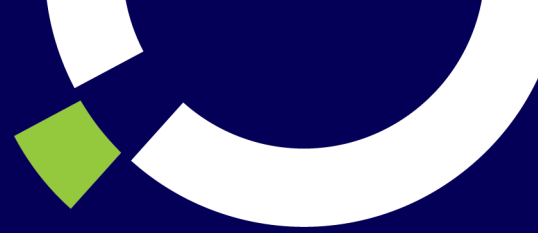
Services and for preventing any unauthorised access to the Products from or through the Customer's account.

## 4. SOFTWARE AUDIT AND LICENSE VERIFICATION

- 4.1. License Verification. Customer will for all Products at all sites, environments and for all Licensed Units retain deployment and usage information (collectively "**Data**") and shall within 30 days of request, provide a report confirming all deployment and usage for the period requested. The report shall be in a form requested by Arqit and, where necessary, Customer shall provide supporting documentation to confirm the deployment and usage at the relevant sites, environments and Licensed Units. Arqit shall use the Data to (a) improve Product or Software performance or customer experience, or correct information in any Documentation; and/or (b) confirm the Customer's compliance with the Agreement.
- 4.2. Software Audit. Upon reasonable notice, Arqit and/or its appointed auditors may verify Customer's compliance with the Agreement, at all sites and environments and for all Licensed Units in which Customer Uses or installs the Software. Verification will be conducted in a manner that minimises disruption to Customer's business and may be conducted on Customer's premises, during normal business hours. In addition to providing the Data described above, Customer agrees to provide to Arqit and its auditors additional accurate information and additional relevant and necessary Data upon request in order verify Product usage. Customer will maintain accurate and legible records for a period of three (3) years after the termination or expiration of any Transaction Document, and will grant to Arqit, or its designee, reasonable access to and copies of, any information reasonably requested by Arqit to verify compliance with the terms of this Agreement. Customer shall ensure that this subsection is flowed down to and is enforceable upon any User.
- 4.3. Arqit reserves the right to invoice Customer and Customer shall pay Arqit's invoice for the charges applicable to any excess Use not in accordance with, or in breach of, the applicable Transaction Document at Arqit's then current rates, together with any applicable Taxes.

## 5. TERM AND TERMINATION

- 5.1. Products and Services are licensed and supplied (as applicable) for the periods stated in the Transaction Document and PART B: and PART C: of these STCs below.
- 5.2. Termination for Breach. If either Party breaches a material provision of a Transaction Document or the Agreement (or for persistent breaches the cumulative effect of which is material) and fails to cure such material breach within 30 days after receiving written notice of the breach from the non-breaching Party, then the non-breaching Party shall have the right to terminate the applicable Transaction Document at any time on written notice thereafter; provided that if a material breach cannot be cured within 30 days due to the nature of the breach but is capable of cure, the breaching Party shall not be in default if, prior to expiration of the 30-day notice period, it has evidenced that it has commenced remedying the breach in good faith, and continues to attempt to cure the material breach. In such case, the breaching Party shall have a reasonable time to cure the material breach before being in default, but no more than 60 days from the original notice (or such other period as expressly agreed between the Parties). Without prejudice to any other right or remedy that Arqit may be entitled to, Arqit shall be entitled to all such sums as are due in accordance with the Agreement for Products, Services and/or Hardware performed or supplied up to the date of termination and any expenses and costs incurred by it or that cannot be recovered in connection with the relevant Products, Services and/or Hardware. Such sums shall become immediately due and payable upon termination for any reason. In the event of termination of a Transaction Document by Arqit pursuant to this Section, Customer shall become liable for and shall promptly pay all remaining Fees due and not paid for the remaining Subscription Term and/or Maintenance Term and/or for any Perpetual License.



- 5.3. Services Suspension and Termination Rights. Arqit may on written notice to Customer suspend access to the Software (or disable or reduce the functionality of the Software or limit to read only access) or provision or supply of Products, Services and/or Hardware where Customer has failed to pay any amounts due within fourteen (14) days of the applicable due date. Where Customer continues to be in default, Arqit may in addition to any other remedy it has under the Agreement or under law, terminate the Transaction Document to which those Products and/or Services and/or Hardware relate with or without notice to Customer and, in such case, Arqit will have no liability for terminating Use of such Products or receipt of the applicable Services.
- 5.4. Bankruptcy Events. A Party may immediately terminate this Agreement if the other Party: (i) has a receiver appointed over it or over any part of its undertakings or assets; (ii) passes a resolution for winding up (other than for a bona fide scheme of solvent amalgamation or reconstruction), or a court of competent jurisdiction makes an order to that effect and such order is not discharged or stayed within ninety (90) days; or (iii) makes a general assignment for the benefit of its creditors.
- 5.5. Consequences of Termination. Termination of a Transaction Document or the Agreement for any reason shall not relieve the Customer of its obligation to pay the applicable Fees. The following Sections shall remain in force notwithstanding termination or expiry of a Transaction Document or the Agreement: Sections 4.3, 5.2, 5.5, 6 (Intellectual Property), 7 (Warranties), 8 (Limitation of Liability), 9 (Confidentiality), 10 (Data Protection), 12 (Export Regulations), the applicable subsections of Section 13 (Miscellaneous), Part B Section 4.4 and Part D (Definitions) together with any other provision which is expressly or by implication intended to come into or continue in force on or after termination.

## 6. INTELLECTUAL PROPERTY

- 6.1. The license(s) granted to Customer under the Agreement shall at all times be subject to compliance with the terms and conditions of the Agreement.
- 6.2. Customer acknowledges and agrees (on behalf of itself and its Users) that the Products, Services and Documentation are provided under license, and not sold, to Customer. Neither Customer nor any User acquires any ownership or any other interest or any other rights in and/or to the Products, Services and/or Documentation under the Agreement, or any other rights thereto, other than to Use the same in accordance with and subject to all terms and conditions in the Agreement. Arqit (or any applicable Third-Party licensor) reserves and shall retain its (or their) entire right, title, and interest in and to the Products and/or Services and all Intellectual Property Rights except as expressly granted to Customer as set out in the Agreement. Customer shall safeguard all Software and Documentation (including all copies thereof) from infringement, misappropriation, theft, misuse, or unauthorised access. Customer shall promptly notify Arqit if Customer becomes aware of any infringement of any Intellectual Property Rights in the Products, Services and/or Documentation and will fully cooperate with Arqit, at Arqit's (or the relevant Third Party's) sole expense, in any legal action taken by Arqit or any Third Party to enforce its (or their) Intellectual Property Rights.
- 6.3. Remedy. Should a Product (or any part thereof) become, or in Arqit's opinion, be likely to become the subject of an IP Claim (as defined below), Arqit, at its option, may either: (i) procure for Customer the right to continue using the applicable element of the Product (or part thereof), or (ii) replace or modify the allegedly infringing item to make it non-infringing provided material functionality is maintained. If, in Arqit's sole opinion, neither of the foregoing alternatives is commercially reasonable or commercially viable, Arqit shall be entitled to immediately terminate the relevant Product and any related Maintenance Services (in respect of Products subject to a Perpetual License) on written notice (which may be communicated electronically) whereupon the right to Use the relevant Product and/or Service will terminate and Customer shall be entitled to a pro rata refund of the Subscription Fees (in respect of Subscription Products) or pro rata portion of the License Fee and any corresponding pro rata portion of any Maintenance Fee (in respect of Products subject to a Perpetual License and the

corresponding Maintenance Contract (if any)) actually paid by Customer and received by Arqit for the relevant Products and/or Services not yet received or Used by Customer as at the date of termination.

- 6.4. Arqit Indemnity. Arqit shall defend and indemnify Customer against any Third-Party claim that Arqit proprietary intellectual property in the Products or Documentation as supplied by Arqit infringes or alleges to infringe or misappropriate a Third Party's patent, copyright or other intellectual property right ("**IP Claim**").
- 6.5. Customer Indemnity. Customer shall defend and indemnify Arqit and its Affiliates against any IP Claim which is based, in whole or in part, arising out of Customer's or any User's Use of the Arqit Products in breach of the Agreement.
- 6.6. Each Party shall, in its absolute discretion, determine what action if any shall be taken in respect of any IP Claim for which it is required to indemnify the other Party under this Section. The indemnities under this Section are strictly subject to: (a) the indemnified Party giving prompt notice to the indemnifying Party of any such IP Claim; and (b) the indemnified Party providing all reasonable assistance and co-operation to the indemnifying Party in the defence and settlement of such IP Claim, at indemnifying Party's expense; and (c) the indemnifying Party being given sole authority to defend or settle the IP Claim.
- 6.7. Exclusions. Arqit shall have no obligation or liability in respect of the Arqit indemnity given in Section 6.4 for any IP Claim which is based, in whole or in part, upon (i) the combination, operation or use of the Products with any of Customer's or Third Party's hardware, software or service; (ii) any alteration or modification of the Products or Documentation which is not pre-approved by Arqit in writing; (iii) any specifications, designs or instructions provided to Arqit by or on behalf of Customer; (v) Customer's failure to promptly implement an update or modification to the Products (e.g., Updates or Software Releases) provided by Arqit; or (vi) Use of the Products in a manner other than as authorised under the Agreement or any continued Use of the relevant Product in contravention of the Agreement; or (vii) for any circumstance for which Customer is obligated to indemnify any indemnitee. Arqit shall not be obligated or responsible for any settlement entered into or damages arising from admissions by Customer without Arqit's prior written consent.

## 7. WARRANTIES

- 7.1. In addition to any other warranties given by either Party under a Transaction Document or these STCs, each Party warrants, represents and undertakes that: (a) it has the right, power and authority to enter into each Transaction Document and the Agreement generally and carry out its obligations under the Agreement; and (b) that the Transaction Documents forming the Agreement constitute legal, valid and binding obligations of such Party and have been duly signed by an authorised representative of that Party; and (c) the execution and performance of the Agreement by it shall not breach any obligation owed by it to any Third Party; (d) it has or shall obtain and maintain at all times at its own cost all permissions, licenses and consents necessary for the performance of its obligations under the Agreement; and (e) it shall comply with all Applicable Laws in relation to any its obligations under the Agreement.
- 7.2. Customer warrants, represents and undertakes that it will (a) be responsible for and liable for all Use of the Products and Documentation by any Persons (including any Users) that have gained access to the Products as a result of access being granted to Customer pursuant to the Agreement; (b) procure its Users' compliance with these STCs (as they apply to the User(s)) or the EULA; (c) be responsible for the accuracy, quality, integrity and legality of any User Data and of the means by which Customer acquired the User Data; (c) take all reasonable steps including implementing and maintaining any appropriate security measure to prevent unauthorised Use of the Products, and notify Arqit promptly both orally and in writing where it becomes aware of any such unauthorised Use; (d) Use the Products and Services only in accordance with the Agreement and Applicable Laws; (v) Use the Products with only appropriately licensed and/or Arqit approved Third Party software and technology.

- 7.3. WARRANTY DISCLAIMER. EXCEPT AS EXPRESSLY SET FORTH IN THE AGREEMENT, AND TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE PRODUCTS, SERVICES AND DOCUMENTATION ARE PROVIDED TO CUSTOMER AND ITS USER(S) "AS IS" AND WITH ALL FAULTS AND DEFECTS WITHOUT WARRANTY OF ANY KIND. TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, ARQIT, ON ITS OWN BEHALF AND ON BEHALF OF ITS AFFILIATES, AND ITS AND THEIR RESPECTIVE THIRD PARTY LICENSORS AND SERVICE PROVIDERS, EXPRESSLY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, WITH RESPECT TO THE SOFTWARE AND/OR DOCUMENTATION, INCLUDING ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT, AND WARRANTIES THAT MAY ARISE OUT OF COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE, OR TRADE PRACTICE. WITHOUT LIMITATION TO THE FOREGOING, ARQIT PROVIDES NO WARRANTY OR UNDERTAKING, AND MAKES NO REPRESENTATION OF ANY KIND THAT THE PRODUCTS, DOCUMENTATION OR SERVICES WILL MEET CUSTOMER'S REQUIREMENTS, ACHIEVE ANY INTENDED RESULTS, BE COMPATIBLE, OR WORK WITH ANY OTHER SOFTWARE, APPLICATIONS, SYSTEMS, OR SERVICES, OPERATE WITHOUT INTERRUPTION, MEET ANY PERFORMANCE OR RELIABILITY STANDARDS OR BE ERROR FREE, OR THAT ANY ERRORS OR DEFECTS CAN OR WILL BE CORRECTED. SECTION 8.2 BELOW SHALL APPLY TO THE IP CLAIM INDEMNITIES GIVEN UNDER THIS SECTION.
- 7.4. THE REMEDIES SET FORTH IN SECTION 6.3 AND 6.4 ABOVE STATE ARQIT'S ENTIRE LIABILITY AND OBLIGATION AND CUSTOMER'S SOLE REMEDY FOR IP CLAIMS.

## 8. LIMITATION OF LIABILITY

- 8.1. Nothing in the Agreement shall exclude or limit either Party's liability for: (a) death or personal injury or loss or damage for which liability cannot be limited or excluded by law; or (b) fraud or fraudulent misrepresentation; or (c) breaches of PART A, Sections 9 (Confidentiality), Section 12 (Export Regulation); or (d) the indemnities given in Section 6 (Intellectual Property); or (e) any other liability that cannot be limited under applicable law.
- 8.2. SUBJECT SECTION 8.1 ABOVE, NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR ANY: (A) CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL OR PUNITIVE DAMAGES; (B) LOSS OF REVENUES OR LOSS OF PROFITS (PROVIDED THAT THE FOREGOING SHALL NOT RELIEVE CUSTOMER OF ITS OBLIGATION TO PAY THE FEES); (C) LOSS OF SERVICES, BUSINESS, OR GOODWILL; (D) LOSS OR CORRUPTION OF DATA OR INACCURACY OF DATA SUPPLIED TO IT; (E) LOSS RESULTING FROM SYSTEM OR SYSTEM SERVICE FAILURE, MALFUNCTION, OR SHUTDOWN; (F) FAILURE TO ACCURATELY TRANSFER, READ, OR TRANSMIT INFORMATION; (G) FAILURE TO UPDATE OR PROVIDE CORRECT INFORMATION; (H) SYSTEM INCOMPATIBILITY OR PROVISION OF INCORRECT COMPATIBILITY INFORMATION; OR (I) COST OF PROCUREMENT OF SUBSTITUTE GOODS, SERVICES OR TECHNOLOGY, WHETHER IN EACH CASE ARISING IN CONNECTION WITH THE AGREEMENT, AND REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT (INCLUDING BUT NOT LIMITED TO NEGLIGENCE), BREACH OF STATUTORY DUTY, STRICT LIABILITY OR OTHER THEORY. WITHOUT LIMITATION TO THE FOREGOING, ARQIT PROVIDES NO WARRANTY OR UNDERTAKING, AND MAKES NO REPRESENTATION OF ANY KIND THAT THE PRODUCTS, SERVICES AND ANY DELIVERABLES WILL MEET THE CUSTOMER'S REQUIREMENTS, ACHIEVE ANY INTENDED RESULTS OTHER THAN AS SET OUT IN THE APPLICABLE TRANSACTION DOCUMENT OR THE AGREEMENT.
- 8.3. Subject to Section 8.1 above, the total liability of each Party under or in connection with the Agreement shall not exceed an amount equal to the total Fees under the applicable Transaction Document to which the claim relates. The limits of liability in this subsection are cumulative and not per-incident.

## 9. CONFIDENTIALITY

- 9.1. Either Party receiving Confidential Information (the "**Recipient**") from the other (the "**Disclosing Party**") shall not without the Disclosing Party's prior written consent use such Confidential Information



except for Agreement purposes or disclose such Confidential Information to any person other than the Recipient's employees, agents and contractors ("**Personnel**") on a strictly "need to know" basis and provided that each person to whom any Confidential Information is disclosed is bound by obligations of confidentiality at least equivalent to those in this Section. Any breach of such obligations by Customer's Personnel or Arqit's Personnel (as the case may be) shall be deemed to be a material breach by Customer or Arqit respectively and Customer or Arqit (as the case may be) shall be solely liable to the other for such breaches of its Personnel.

- 9.2. Section 9.1 above shall not apply to Confidential Information that is: (a) published except by a breach of the Agreement; or (b) lawfully known to the Recipient at the time of disclosure and is not subject to any obligations of confidentiality; or (c) lawfully disclosed to the Recipient by a third party without any obligations of confidentiality; or (d) replicated by development independently carried out by or for the Recipient by an employee or other person without use of the Confidential Information.
- 9.3. Either Party that has during the course of the Agreement received Confidential Information in a recorded form from the other (or has recorded received Confidential Information) shall return or destroy (at the option of the Disclosing Party) such records upon the other Party's written request.
- 9.4. Except as agreed in writing by the Parties, neither Customer nor Arqit shall publicise the Agreement without the other Party's prior written consent. This Section shall not apply to internal publications or releases or information which is required to be disclosed to any Arqit or Customer investor or any relevant stock exchange. Each Party consents to the use of its name and logo in any press releases and/or investor presentations or roadshows.

## 10. DATA PROTECTION

- 10.1. Each Party shall comply with its respective obligations under applicable Data Protection Legislation in relation to the processing of personal data of the other Party. Each Party warrants and represents that it has, or will have, obtained all necessary consents for the sharing of any personal data (including sensitive personal data) in connection with the Agreement. Where necessary, the Parties shall agree a separate data processing addendum or agreement with respect to the processing of any personal data under the Agreement.
- 10.2. In connection with a User's use of the Products:
  - (a) Customer acknowledges that Arqit may, directly or indirectly through the services of Third Parties, collect and store information regarding use of the Services and about equipment on which any Software is installed or through which it otherwise is Used.
  - (b) Customer agrees that Arqit may use such information for any purpose related to any use of the Products by Customer or any User or on the User's equipment, including but not limited to: (i) improving the performance of the Products and Services or developing Updates; and (ii) verifying the Customer's compliance with the terms of the Agreement and enforcing Arqit's rights, including all Intellectual Property Rights in and to the Products and Services.

Please refer to Arqit's Privacy Notice for further information available at [arqit.uk/privacy-policy](https://arqit.uk/privacy-policy).

- 10.3. Arqit shall be entitled to permanently erase any Customer Data or User personal data including any passwords and/or other information associated with the Customer account, where Customer's account is delinquent, suspended or terminated for thirty (30) days or more.

## 11. ANTI-BRIBERY

- 11.1. Each Party shall:
  - (a) comply with all applicable laws, statutes, regulations relating to anti-bribery and anti-corruption including but not limited to the Bribery Act 2010 as amended from time to time ("Bribery Act") and the

anti-corruption laws of the US (including without limitation, the U.S. Foreign Corrupt Practices Act, 15 U.S.C. Section 78dd-1 and 78dd-2, as amended from time to time ("FCPA"); and

- (b) not engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the Bribery Act if such activity, practice or conduct had been carried out in the UK.

- 11.2. Without limiting the generality of the foregoing, each Party represents and warrants that: (i) it has not nor will directly or indirectly make any payments(s) or give anything of value to any government employee or official with respect to the Products and Services or any activity related thereto for the purpose of influencing any decision and/or action of such government employee or official in his/her official capacity; (ii) it will immediately notify Arqit if a foreign public official (as defined under the Bribery Act) becomes an officer or employee of, or other person authorised to bind that Party or acquires a direct or indirect interest in that Party.

## 12. EXPORT REGULATION

- 12.1. The Products, Software, Documentation and/or Hardware (collectively "**Controlled Item**") may be subject to UK and/or US export control laws or other export control laws. Customer shall not, directly or indirectly, export, re-export, or release the Controlled Items to, or make them accessible from, any jurisdiction or country to which export, re-export, or release is prohibited by law, rule, or regulation or use the Controlled Items for any purpose prohibited by any applicable international and national legal instruments that may apply to the Controlled Items. Customer shall comply with all Applicable Laws, statutes, federal laws, regulations, and rules (including obtaining any necessary export license or other governmental approval) that apply to the Controlled Items. Customer shall be solely responsible for obtaining and completing any necessary licenses or undertakings prior to any export, re-export or release of the Controlled Items.
- 12.2. Customer will not allow any individual, entity or organisation to gain access to or Use of the Products, Software or Document if Customer knows, or has reason to believe, that such individual, entity or organisation is (or is acting on behalf of) either: (1) any individual, entity or organisation identified as a sanctioned party on any list maintained and published by the United Kingdom Foreign, Commonwealth and Development Office or the U.S. Department of Treasury, Office of Foreign Asset Control, or on any similar list of sanctioned parties published by an agency of the United Kingdom, the US or any member country of the EU; or (2) an entity or organisation 50% or more controlled, directly or indirectly, by a party so listed.

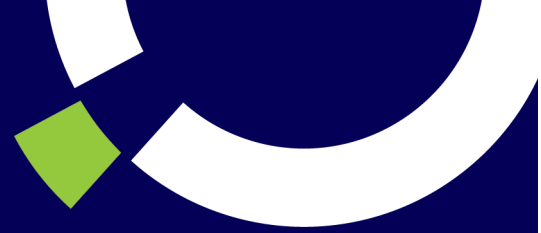
## 13. MISCELLANEOUS

- 13.1. Governing Law and Jurisdiction. This Agreement and any non-contractual obligations arising out of or in connection with it shall be interpreted and governed by the laws of England and Wales and the parties irrevocably agree to submit to the non-exclusive jurisdiction of the courts of England and Wales in relation to any dispute, claim or matter arising under or in connection therewith.
- 13.2. Notices. All notices under the Agreement must be in writing and sent to the business address and for the attention of the following persons at the addresses stated unless a party designates in writing a different person and/or address:

<b>Arqit</b>	General Counsel	Email: legal@arqit.uk	Mailing Address: as set out in the Transaction Document
<b>Customer</b>	As set out in the Transaction Document		

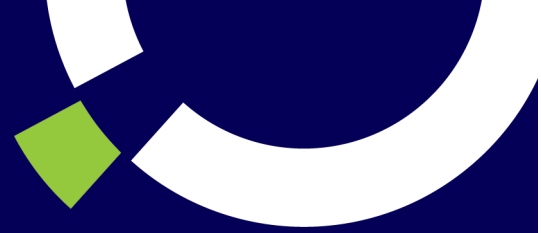
Any notice shall be deemed to have been received (i) if delivered by hand, at the time the notice is left at the proper address if during business hours of the recipient (being 9:00am to 5:00 pm on a working day in the recipient's jurisdiction), or at 9:00 am local time of the recipient on the next working day if outside business hours; or (ii) if sent by courier, the time and date as recorded by the courier; or (iii) if





sent by certified or registered mail (postage pre-paid) on the fifth (5<sup>th</sup>) working day after mailing (based on the working day of the recipient); or (iv) if sent by email, at 9:00 am (local time of the recipient) on the next working day after sending and provided that any notices given in relation to termination are accompanied by a confirmatory copy that is sent by hand or certified or registered mail (postage pre-paid). The Parties consent to the use of electronic means for communications as being “in writing”, but not in respect of the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

- 13.3. Force Majeure. Arqit will not be responsible for or be deemed in default or breach under this Agreement by reason of any failure or delay in performance due to causes beyond its reasonable control including, but not limited to, strikes, labour disputes, civil disturbances, riot, rebellion, invasion, pandemic, epidemic, hostilities, war, terrorist attack, embargo, natural disaster, acts of God, flood, fire, sabotage, fluctuations or non-availability of power supplies or User equipment, loss and destruction of property.
- 13.4. Assignment. Customer shall not, without the prior written consent of Arqit, assign, transfer, charge, sub-contract, delegate, declare a trust over or deal in any other manner with all or any of its rights or obligations under the Agreement. Arqit may at any time assign, mortgage, charge, sub-contract, delegate, declare a trust over or deal in any other manner with all or any of its rights or obligations under the Agreement provided that Arqit shall remain solely liable to Customer for the performance of any Arqit subcontractor performing the Services hereunder.
- 13.5. Severability. In the event that any one or more provisions contained herein shall be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired.
- 13.6. Rights and remedies. Except as expressly provided in the Agreement, the rights and remedies provided under the Agreement are cumulative and in addition to, and not exclusive of, any other rights or remedies provided by law.
- 13.7. Waiver. A waiver of any right or remedy is only effective if given in writing and shall not be deemed a waiver of any subsequent right or remedy. A delay or failure to exercise, or the single or partial exercise of, any right or remedy shall not waive that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy.
- 13.8. No Third-Party Beneficiaries. With the exception of any of Arqit’s third party licensor’s rights in the Software and/or Products, a person who is not a Party to the Agreement may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.
- 13.9. Guidelines and Policies. Arqit may at any time modify any Online Policies and Guidelines shall be effective when posted to the applicable Arqit site. By ordering Products and Services that are subject to these STCs, Customer understands that it is bound by Arqit’s then-current version of its Online Policies and Guidelines.
- 13.10. Entire Agreement. The English language version of these STCs and any document expressly stated to form part of the Agreement constitutes the entire understanding and agreement between the Parties with respect to the subject matter of the Agreement and supersedes and extinguishes all previous and/or contemporaneous agreements, promises, assurances and understandings, whether oral or written, as well as any translated version of any part of the Agreement (whether or not such translated version is signed) between the Parties. Each of the Parties acknowledges and agrees that it has not been induced to enter into the Agreement in reliance upon, and in connection with the Agreement does not have any remedy in respect of, any representation or other promise of any nature whatsoever other than as expressly set out in the Agreement. Nothing in the Agreement shall operate to limit or exclude any liability for any fraudulent misrepresentation or for any other matter in respect



of which liability cannot lawfully be limited or excluded. Each Party shall execute such documents and take such steps as the other Party may reasonably require to fulfil the provisions of and to give to each Party the full benefit of the Agreement.

- 13.11. Choice of Language. The original of this Agreement has been written in English, which will be the controlling language in all respects. Any translations into any other language are for reference only and will have no legal or other effect.
- 13.12. Counterparts. Transaction Document(s) forming the Agreement may be executed in any number of counterparts or duplicates (including via electronic signature) each of which shall be deemed to be an original of the Agreement and which together shall constitute one and the same agreement. Copies of the signature pages of any Order and/or Transaction Document transmitted by reliable means including electronically (for example in either Tagged Image Format Files (TIFF) or Portable Document Format (PDF) or facsimile) shall be treated as originals, fully binding and with full legal force and effect.
- 13.13. Variation. No variation of these STCs, or the Transaction Document shall be effective unless it is in writing and signed by the Parties (or their authorised representatives). No additional term or condition added in a purchase order issued by the Customer can conflict with or diminish a term or condition of the Agreement. Terms and conditions on any purchase order issued by the Customer hereunder will have no force and effect.
- 13.14. Non-Solicit. During and for a period of one (1) year following the last Effective Date of an Order, Customer will not, without prior written consent of Arqit, hire or attempt to hire any current or former employee of Arqit or its Affiliates, who is or was involved in the performance of the Services or supply of the Products.
- 13.15. No partnership or agency. Nothing in the Agreement is intended to, or shall be deemed to, establish any partnership or joint venture, franchise, agency relationship or business opportunity between any of the Parties, constitute any Party the agent of another Party, or authorise any Party to make or enter into any commitments, express or implied, for or on behalf of any other Party. Each Party confirms it is acting on its own behalf and not for the benefit of any other person.
- 13.16. Customer shall (and shall use reasonable endeavours to procure that any User shall) execute such documents and take such steps as Arqit may reasonably require to fulfil the provisions of and to give to Arqit the full benefit of its Intellectual Property Rights under these STCs.

## PART B: ARQIT PRODUCTS LICENSE TERMS AND CONDITIONS

This Part B sets out the licenses terms and restrictions that apply to Arqit Products licensed to Customer under the Transaction Documents.

### 1. SUBSCRIPTION LICENSE AND RIGHT TO USE.

- 1.1. Right to Use. Arqit grants the Customer a non-exclusive, non-transferable, non-sublicensable, license to Use the Product identified in the Transaction Document, and the associated Documentation, during the Subscription Term for up to the Licensed Units in the Territory. Unless expressly authorised by Arqit, Use of the Product may not exceed the Licensed Units for such Product.
- 1.2. Subscription Term. Subject to Arqit's receipt of a valid Transaction Document signed by Customer, the Subscription will begin on the date that the Activation Notification is sent to Customer and shall continue for the Subscription Term.
- 1.3. Renewal. No less than sixty (60) days (for Subscriptions of 12 months or more) and thirty (30) days (for Subscriptions of six (6) months or more) prior to expiry of the initial and each subsequent Subscription Term, a notice of expiration setting out the then current Fees for the new Subscription and the new Subscription Term will be provided by Arqit to Customer ("**Renewal Notice**"). At the end of the initial and each subsequent Subscription Term, the Subscription shall automatically renew for the period set out in the Renewal Notice unless cancelled by the Customer on not less than 30 day's written notice. Failure to provide notice in accordance with the foregoing will not relieve Customer of the obligation to the pay the Subscription Fees for the new Subscription Term. Early repayment fees will be charged for any cancellation by the Customer prior to the end of the Subscription Term which shall be equivalent to any Fees remaining and unpaid for the then current Subscription.
- 1.4. Cancellation. In the event that the Subscription is cancelled or otherwise terminated in accordance with the Agreement, and without limiting Arqit's rights under the Agreement or at law, Customer's right to Use the Software shall automatically terminate and Arqit reserves the right to disable or reduce the functionality of the Software or limit to read only access and to cease Customer's access to Arqit's Customer/Partner Portal or other Customer accounts.

### 2. PERPETUAL LICENSE AND RIGHT TO USE

- 2.1. Right to Use. Arqit grants to Customer a non-exclusive, non-transferable, non-sublicensable Perpetual License to Use the Products and any Documentation, for up to the Licensed Units in the Territory. Unless expressly authorised by Arqit, Use of the Products may not exceed the Licensed Units for such Products.
- 2.2. License Start Date. Subject to Arqit's receipt of a valid Transaction Document signed by Customer the Perpetual License will start on the date that the Activation Notification is sent to Customer.

### 3. "QUICKSTART" LICENSE, LAB LICENSE, TRIAL LICENSE, PILOT INSTANCE, "POC" AND OTHER NON-COMMERCIAL USE LICENSES

- 3.1. Right to Use. Arqit grants to Customer a non-exclusive, non-transferable, non-sublicensable for the Subscription Term to Use the Product and any Documentation, for up to the Licensed Units in the Territory. Unless expressly authorised by in writing Arqit, Customer is prohibited from Use of the Software in excess the Licensed Units. All licenses are granted strictly for Customer's own non-commercial Use (and not for sales, resale or commercial exploitation of any kind) for internal testing or proof of value or, if stated, for internal demonstration or prospective customer demonstration purposes.

- 3.2. License Start Date. Subject to Arqit's receipt of a valid Transaction Document signed by Customer, the License will begin on the date that the Activation Notification is sent to Customer and shall continue for the Subscription Term unless terminated in accordance with the Agreement.
- 3.3. Renewal Process. Arqit may, in its discretion, permit a renewal or limited extension to the Subscription Term of a non-commercial package and, in such instance, the Parties shall sign a further Transaction Document and Customer shall issue a new non-cancellable PO in accordance with these STCs. In all other circumstances, the Customer shall issue a non-cancellable PO for a commercial Subscription License or Perpetual License Product set out in the existing or a new Transaction Document, which shall be subject to the license terms set out in Sections 1 or 2 above (as applicable). In the event that Customer does not proceed with a commercial license, Customer's right to Use the Software shall automatically terminate and Arqit reserves the right to disable or reduce the functionality of the Software or limit to read only access and to cease Customer's access to Arqit's Customer/Partner Portal or other Customer accounts.
- 3.4. Description. The "quick-start" license packages are intended to provide quick access to Arqit's QuantumCloud™ PaaS. The pilot instance Product is an initial phased system build that is a subset of the system's final production-grade configuration. A lab license is granted for on-premise Products only. The primary function of lab license, trial license or pilot instance license is to enable initial external software integration activities into third-party applications and systems to enable testing and validation of the primary functions that will be used in the final system implementations.
- 3.5. Separate Support Plans. All non-commercial packages are contained to single tenant customer IT infrastructure deployments. They are not subject to Arqit's standard product support and maintenance SLA metrics and are provided solely "AS IS WITH ALL FAULTS AND WITHOUT EXPRESS OR IMPLIED WARRANTIES, CONDITIONS OR REMEDIES" in accordance with PART C: (Maintenance and Support Services) Section 2.3.

#### **4. GENERAL RESTRICTIONS APPLICABLE TO ALL PRODUCTS.**

- 4.1. End of Entitlement. Upon termination for any reason of the right to Use the Products, Customer shall promptly cease all use of the Products and Documentation and permanently delete or destroy all copies of the Software and Documentation, and Customer shall, provide written certification that it has complied with this subsection, if requested by Arqit.
- 4.2. Licenses or rights to Use the Products and Documentation that are not expressly granted in the Agreement shall not arise by implication or otherwise and are hereby expressly excluded. Customer shall have no right or license in the Products and Documentation unless Customer has purchased and paid for the right to Use the Products from Arqit through a valid Transaction Document.
- 4.3. Unless expressly authorised by Arqit or, except to the extent transfer cannot be legally restricted under Applicable Law, Customer shall not (to the extent each are applicable to the Products (which includes the Software)):
  - (a) rent, lease, lend, sell, sublicense, transfer, assign, whether voluntarily or by operation of law, distribute, publish or otherwise make available the Products or any right or license in and/or to the Products or any features or functionality of the Products in whole or in part and in any format or via any media to any other person or legal entity, including a Customer Affiliate. Any attempt to do any of the acts described in this subsection shall be void; or
  - (b) either (i) directly or indirectly, decompile, disassemble, reverse engineer, decode or otherwise attempt to derive or gain access the source code contained in the Software (or any part thereof), modify, adapt, translate, unbundle, detach or separate any part of or embed within, or create derivative works or improvements (whether or not patentable) based on any part of the Software or the Documentation; (ii) sell, resell, rent or lease any Products; (iii) unless expressly authorised by Arqit, make any copies of Software or Documentation except as reasonably necessary for archival and "cold" back-up purposes,

but not for failover or "warm" back-up purposes (with any such copies remaining the exclusive property of Arqit and subject to the terms and conditions of the Agreement); (iv) remove, delete, alter or obscure (or, if the license includes the right to make copies of the Software, fail to include in those copies) any readme files, notices, disclaimers, marks (including trademarks, whether or not registered) or Arqit or any Third Party licensor, or labels included in or forming any part of the Products or Services as delivered or made available by Arqit; and (v) Use or allow Use of the Product and/or Services in violation of any Applicable Law or to support or facilitate any illegal activity; or

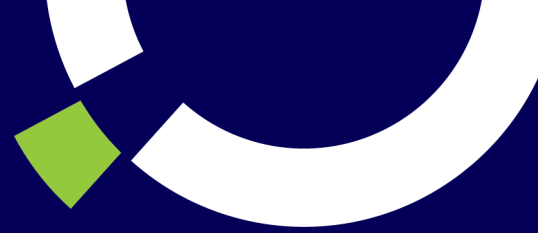
- (c) use the Products or Documentation for purposes of competitive analysis of the Products (or any part of them), the development of competing products and/or services or any other purpose that could reasonably be considered to be to Arqit's commercial disadvantage.

- 4.4. Use of Third-Party Software / Products / Applicable Terms. For non-Arqit branded products and/or services delivered in connection with Arqit's Products and/or Services, such Third-Party products and/or services shall be separately governed and licensed by the applicable Third-Party product and/or services terms and conditions. Such Third-Party terms and conditions shall supersede these STCs for non-Arqit branded products and/or services or as otherwise stated in any Software. For the avoidance of doubt, the Third-Party supplier of non-Arqit branded products and services or Third Party licensor of Software shall be solely responsible for support, warranties, indemnities and other terms and conditions applicable to such products and services. To the extent that Arqit has embedded any Third-Party software or components in any Arqit Products, that Third Party licensor may enforce its license rights against Customer. Any breach of any Third-Party licenses shall also be a breach of these STCs and the Agreement.

## PART C: MAINTENANCE AND SUPPORT SERVICES

### 1. SCOPE AND TERM

- 1.1. Term. Arqit will provide Maintenance Services either (a) during the Subscription Term for Subscription-based Products that are permitted for commercial use; or (b) during the period that Customer has a valid and existing Maintenance Contract for Products subject to a Perpetual License.
- 1.2. Maintenance Services. Arqit may develop and provide Updates and Software Releases in accordance with the applicable Support Policy. Customer agrees that all Updates and Software Releases will be deemed Software, and related documentation will be deemed Documentation, all subject to all terms and conditions of the Agreement. Customer acknowledges that Arqit may provide some or all Updates via download from the Internet and that Customer will be responsible for any Internet connection required to receive such Updates. Arqit is not obligated to provide Updates of Software Release via any other media or in any particular format other than that which is made generally available to its licensees or as otherwise expressly agreed in writing with Customer. For the avoidance of doubt, Arqit has no obligation to provide Maintenance Services:
- (a) if Customer is in material breach under the Agreement, including where it has failed to pay any Fees under any Order;
  - (b) where Customer does not have a valid and existing Maintenance Contract (either by virtue of a Subscription or as a separate agreement);
  - (c) in relation to Software Releases that are not or have not been subject to an End of Support Notice; and/or
  - (d) for any Software that has been modified other than by or with Arqit's express written authorisation, or that is being Used with any hardware, software, configuration, or operating system not forming part of the Product as specified in the Documentation.



## 2. SUPPLY OF MAINTENANCE SERVICES

- 2.1. Arqit Managed Products. For fully managed Arqit Subscription Products (i.e., where Customer is granted access to Software stored on equipment owned, managed and/or under the control of Arqit or its authorised Third Party service providers), Arqit will provide Updates and Software Releases during Arqit defined maintenance windows.
- 2.2. On-Premises / Perpetual Licensed Products. For Arqit Products subject to a Perpetual License and for which Customer has a valid and existing Maintenance Contract, or for on-premises Subscription Products, Arqit will make the Updates and Software Releases available to Customer for Customer to Use at their discretion. Customer shall be solely responsible for implementing any such Updates and Software Releases.
- 2.3. Non-commercial Products. For any non-commercial use Products including without limitation any “quick-start” packages, lab licenses and/or pilot licenses, and unless otherwise expressly stated in the applicable Transaction Document, maintenance and support is limited to remote support to cover patch fixes, maintenance fixes and “best efforts” bug support within Arqit UK working hours.
- 2.4. End of Support: Arqit may from time to time and in accordance with its then current End of Support policy, issue End of Support Notices for discontinued Products and / or Services either directly to Customer or through notifications issued on Arqit’s website or via the Partner Portal.
- 2.5. End of Service. Arqit will provide End of Service (“EOS”) notifications to Customer for discontinued Products or Software, either directly or through an announcement posted on the Arqit website or via Arqit’s Customer/Partner Portal.
- 2.6. New Products: Maintenance Services do not include any new version or new release or Updates of the Software that Arqit may issue as a separate or new product. Arqit may determine whether any issuance qualifies as a new version, new release, or Update in its sole discretion.

## PART D: DEFINITIONS AND INTERPRETATION

### 1. DEFINITIONS

Unless otherwise defined, capitalised terms used in these STCs shall have the meanings given to them in this PART D: Definitions and Interpretation.

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

**Activation:** means the activation of the Products which shall occur upon the sending of an Activation Notification or first Use of the Products (if earlier).

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

**Agreement:** has the meaning given to it in PART A of these STCs.

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

**Arqit:** means the relevant Arqit entity identified in the applicable Transaction Document.



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

**Customer Data:** all information, including any personal data, provided by Customer to Arqit in connection with the Agreement.

**Customer Furnished Items:** any identified Customer dependencies or other items including equipment, documents, data and other materials and information to be supplied by Customer in order for Arqit to supply the Products and Services as further set out in any Transaction Documents.

**Data Protection Legislation:** means all applicable data protection, privacy and electronic marketing legislation in the jurisdictions that are applicable to the processing of data in connection with the Products and Services.

**Documentation:** means collectively the user manuals, ordering technical manuals, data sheets and any other Arqit branded or Arqit proprietary materials in any form whatsoever that describe the installation, operation, use and/or technical specifications of the Products and Services.

**End of Support Notice:** means a notification issued by Arqit in respect of the Software.

**End of Support:** means where Arqit has issued an End of Support Notice discontinuing the support (including Updates) in respect of an existing Software Release in accordance with Arqit's then current End of Support policy.

**Fees:** the fees payable by the Customer for the Products, Services and any Hardware.

**Hardware:** any items of equipment and their components that Arqit agrees to procure on behalf of Customer as further described in the applicable Transaction Document.

**Intellectual Property Rights:** means any and all registered and unregistered rights granted, applied for, or otherwise now or hereafter in existence under or related to any patent, copyright, trademark, trade secret, database protection or other intellectual property rights laws, and all similar or equivalent rights or forms of protection in any part of the world.

**IP Claim:** has the meaning given to it in Part A, Section 6.4.

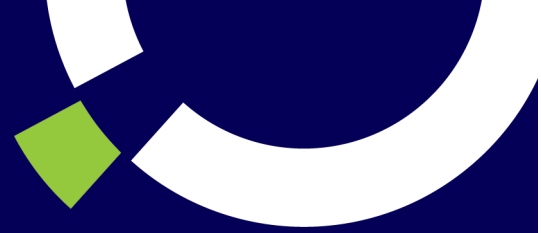
**Licensed Units:** the concurrent number of permitted endpoints or other units of consumption applicable to the Use of the Products under the Agreement as further specified in the applicable Transaction Document.

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

**Maintenance Services:** means the technical support services and maintenance to be provided by Arqit as further described in the applicable Transaction Document.

**Maintenance Term:** the stated period that the Maintenance Services shall be supplied under the applicable Maintenance Contract.

**Online Policies and Guidelines:** means Arqit's general policies and guidelines, including any technical specifications, that are applicable to the Products and Services or referenced in the Agreement, in such form as posted from time to time at Arqit's website, <https://arqit.uk/>.



**Order:** means the order form, work order or quotation issued by Arqit to Customer in respect of the Products and/or Services and signed by Customer.

**Perpetual License:** means a license to Use the Products which continues from the agreed start date of such license and continues for the full period of copyright under Applicable Law unless terminated earlier pursuant to the Agreement, and expressly excluding any Subscription Products.

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

**Products:** means Arqit's products and solutions (including any Software) available from time to time and licensed as either as a Subscription Product or under a Perpetual License.

**Professional Services:** any professional services or support services to be provided by Arqit as further described in the Statement of Work.

**Quote:** means a quotation for the purchase or renewal of any Arqit Products and/or Services issued to Customer by Arqit.

**Renewal:** means any renewal of a Subscription based Product and/or Services in accordance with these General Terms and Conditions.

**Services:** mean Maintenance Services and/or Professional Services.

**SKU:** means a stock-keeping unit or unique identifier for each distinct Product and/or Service.

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

**Software:** means Arqit's software in machine-readable object code and accompanying activation keys, if any, made available under this Agreement and including, where applicable, any Software Releases and any Updates of such Software delivered as part of the Maintenance Services.

**SoW or Statement of Work:** the statement of work relating to the Professional Services either attached to or referenced in a Transaction Document.

**Subscription Term:** means the time-limited license period that Arqit will permit access to and Use of the Product or supply of the Maintenance Services under a Maintenance Contract to Customer as further set out in the applicable Transaction Document.

**Subscription:** means a subscription to Use a Subscription License Product for the Subscription Term as set out in the Transaction Document.

**Support Policy:** means Arqit's policy relating to the issue of Updates, Software Releases and any other maintenance and support forming part of the Maintenance Services.

**Territory:** the territory/ies identified in the Transaction Document.

**Third Parties:** means any Person other than Arqit or Customer.

**Transaction Documents:** any Arqit documents that set out the specifics of the transaction such as the Fees and any other specific commercial terms of sale and a description of the Products or Services. A Transaction Document may include the Order, a Quote, a Renewal, the SoW or other service description documents or Maintenance Contract. There may be more than one Transaction Document.

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

**Use:** means to access, activate, download, install, view in an executable form or use in any way or consume the Products in accordance with the Agreement.

**User:** means any individual who Uses the Products including without limitation any employees, consultants, contractors, customers or prospective customers and/or agents of Customer.

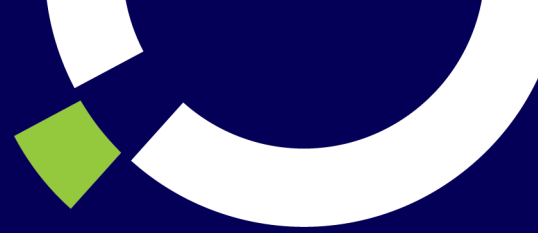
- 1.1. Unless the context otherwise requires, words in the singular shall include the plural and in the plural include the singular.
- 1.2. Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.3. A reference to a statute or statutory provision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

## PART E: COUNTRY SPECIFIC TERMS

### USA and Canada

Where any Products and/or Services are stated to be supplied by Arqit, Inc in the USA and/or Canada under the Transaction Document, the following text shall replace the relevant sections of these STCs in respect of that Transaction Document:

Part Ref	Section #	Replacement Term
PART A:	5.4	<u>Bankruptcy Events.</u> A Party may immediately terminate the Agreement if the other Party: (a) becomes insolvent or files, or has filed against it, a petition for voluntary or involuntary bankruptcy or under any other insolvency law, makes or seeks to make a general assignment for the benefit of its creditors or applies for, or consents to, the appointment of a trustee, receiver, or custodian for a substantial part of its property, or is generally unable to pay its debts as they become due; or (b) it ceases or threatens to cease to carry all or a substantial part of its business; or (c) suspends, or threatens to suspend, payment of its debts; or (d) anything analogous to any of the events in items (a) to (d) occurs in relation to a Party under Applicable Law.
PART A:	2.5	<u>Payment Default.</u> If Customer fails to make any payment due to Arqit under the Agreement by the due date for payment, then, without limiting Arqit's remedies under the Agreement: (a) the remaining instalments for Fees due under a Subscription License, Perpetual License or Maintenance Contract or for any Hardware shall accelerate and become immediately due and payable; and (b) Arqit may charge Customer interest on the overdue amount at the rate of 1.5% monthly (18% per annum), or the maximum rate allowed by Applicable Law. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. Customer shall pay the interest together with the overdue amount. In addition, Customer shall upon demand promptly pay, or reimburse Arqit for, all Arqit's costs and expenses (including any external legal costs) incurred in the collection of any overdue and unpaid amounts from Customer. The payment obligations stated in this Section shall survive termination or expiration of the applicable Transaction Document or the Agreement.
PART A:	13.1	<u>Governing Law.</u> The Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Delaware.



		<p><u>Jurisdiction.</u> Each of the Parties agrees that all actions or proceedings arising out of or in connection with the Agreement, or for recognition and enforcement of any judgment arising out of or in connection with the Agreement, shall be tried and determined exclusively in the state or federal courts in the State of Delaware, and each of the Parties hereby irrevocably submits with regard to any such action or proceeding, to the exclusive jurisdiction of the aforesaid courts. Each of the Parties hereby expressly waives any objection based on improper venue or forum non conveniens.</p>
PART A:	13.6	<p><u>No Third-Party Beneficiaries.</u> With the exception of any of Arqit's Third Party licensor's rights in the Software and/or Products, the Agreement is for the sole benefit of the Parties and their respective successors and permitted assigns and nothing therein, express or implied, is intended to or shall confer on any other Person any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of the Agreement.</p>