

General terms and conditions of purchase order

1. Definitions – see clause 11

- 1.1. Where this document uses capitalised expressions (e.g. “Affiliate”, “Buyer”), those expressions have the meanings given to them in clause 11, which is at the end of this Agreement.
- 1.2. These general terms and conditions (hereinafter: **Terms and Conditions**) shall apply to contracts for sale (purchase) or supply of goods and provision of services to SIA Philip Morris Latvia.

2. Acceptance and entire Agreement

- 2.1. The Seller may accept this Agreement by any means, including: (a) signing and returning the Order (either on paper or electronically (e.g. e-mail)) within up to 3 business days following the receipt thereof. If the time limit specified above expires, the Parties agree that it is deemed that the Seller has accepted the Order with Terms and Conditions if (b) the Seller starts executing undertakings under this Agreement (e.g., supplying Goods or Services).
- 2.2. This Agreement embodies the entire understanding between the Parties and supersedes all other prior understandings and agreements, oral or in writing, between the Parties with respect to the subject matter of this Agreement. This Agreement may be amended only by written arrangement by both Parties that expressly refers to this Agreement. Any express terms in the Order overrule these Terms and Conditions.
- 2.3. If the Order is issued and accepted on the basis of a separate contract, the Terms and Conditions shall be binding to the extent consistent with the provisions of such separate contract. In case of ambiguities, the contract shall prevail.

3. General provisions

- 3.1. For the purpose of this Agreement, the place of performance of the Order shall be deemed to be at the address: Krišjāņa Valdemāra iela 62, Rīga, LV-1013, Latvia, unless other address is indicated in the Order and confirmed by both Parties.
- 3.2. The Seller shall obtain the Buyer’s prior written approval before subcontracting. If the Seller does subcontract: (a) it shall do so substantially on these Terms and Conditions; (b) it shall ensure that warranties it receives extend to the Buyer; (c) if it does not receive such express warranties, it warrants such Goods or Services to the same extent set out in clauses 7.1 and 8.1; and (d) it remains fully liable to the Buyer for any subcontractors actions or inactions.
- 3.3. The Seller shall at its own expense maintain: (a) employer’s liability, third party liability, product liability and professional negligence insurance to cover its liabilities arising from this Agreement with an insurance company acceptable to the Buyer and with limits of cover acceptable to the Buyer, indicated in the Order; and (b) all permits, licences, certifications, registrations, and insurance coverage required by law, except for cases otherwise indicated in the Order.
- 3.4. On the Buyer’s request, the Seller shall provide the Buyer with copies of the relevant certificates of insurance, permits, licences, certificates, registration documents and other documents relevant to the Goods and/or Services.
- 3.5. The Parties shall not be liable for any non-performance or improper performance of obligations hereunder if the Parties provide proof that such non-performance or improper performance has been caused by any Force Majeure event, i.e. any prohibition or restriction under the laws or other regulations of the Republic of Latvia, fire, flood, war, strike or any other similar event of same effect. The Party whose performance has been affected by said Force Majeure events shall give notice to the other Party of the occurrence of such events as well as state therein the term for which the performance of obligations hereunder will be postponed.
- 3.6. This Agreement has been concluded pursuant to the laws of the Republic of Latvia and all commercial relations between the Parties in connection with this Agreement shall be governed by and construed in accordance with the laws of the Republic of Latvia. The United Nations Convention on Contracts for the International Sale of Goods of 1 January 1988 shall not apply.
- 3.7. Any and all disputes arising out of or in connection with any amending, termination or performance of the Agreement which cannot be settled in a reasonable time period by amicable negotiations shall be settled under the laws of and by the courts of the Republic of Latvia.
- 3.8. This Agreement is concluded in two copies of equal legal force, one copy to each Party.
- 3.9. The Seller is an independent contractor. This Agreement does not create a relationship of principal and agent, or of partnership, or of joint venture or employment relationship between any of the Buyer, the Seller and any Affiliate.
- 3.10. The Seller shall observe all of the Buyer’s internal procedures. In addition, the Seller shall be responsible for obeying the necessary safety requirements when delivering Goods and providing the Services and for the consequences of failure to comply with those requirements. If the Services are provided in the premises or in the territory of the Buyer, the Seller shall comply with all applicable laws and instructions, including, but not limited

- to, safety and other instructions defined by the Buyer and shall ensure that these instructions, as well as all the requests of the Buyer's responsible employees, are properly followed by the Seller's personnel.
- 3.11. All costs incurred by the Seller in connection with the delivery of the Goods and provision of the Services including, but not limited to, freight, insurance, suitable packaging and transfer thereof, shall be covered by the Seller, unless otherwise agreed in the Order and confirmed by both Parties.
 - 3.12. Documentation and right of review:
 - 3.12.1. The Seller shall at all times be obliged to provide along with the subject matter of the Order all documents required by the provisions of applicable law and other documents necessary for the proper use of the subject matter of the Order by the Buyer (e.g. user's manual).
 - 3.12.2. The Seller shall keep complete and correct documentation and settlements of any works performed and expenses incurred in relation to the Order (contracts of subcontractors, documentation on supplies deliveries/performance of services by subcontractors, invoices issued to subcontractors) for a period of time specified in a relevant applicable legal acts of the Republic of Latvia.
 - 3.12.3. The Buyer shall have the right to examine such documentation and settlements and to copy it within working hours after prior notification to the Seller by the Buyer's Internal Control Department or any other relevant Buyer's department or entity providing audit services indicated by the Buyer.
 - 3.12.4. These rights to information and audit shall cover all documents, systems and electronic data necessary to assess proper performance of the Order and issuance of invoices.
 - 3.12.5. Each Party shall bear its costs of preparing for and undertaking such inspections.
 - 3.13. The Seller must include the reference number of the Order in all documentation and correspondence relating to the Agreement or to the Goods and/or Services.
 - 3.14. In addition to its rights under applicable law, the Buyer shall also have the right to unilaterally terminate this Agreement at any time by notice to the Seller for convenience with effect no less than 14 days following the notice, except otherwise is indicated in the Order. Should the Buyer terminate this Agreement by order set in this clause, it shall pay the Seller an equitable sum for already performed Services or Goods delivered.
 - 3.15. If the Seller or a member of the Seller's managing or controlling bodies or any person or organizational unit having control over the Seller has been entered or will be entered: (i) in the list of Specially Designated Nationals and Blocked Persons (SDN) as drawn up by the USA Office of Foreign Assets Control; (ii) or in the consolidated list of persons, organizations or countries being subject to European Union sanctions in accordance with the Common Foreign and Security Policy, in these cases, the Buyer shall have the right to terminate the Agreement with immediate effect, which shall become effective upon submitting such notice.
 - 3.16. While performing the obligations under this Agreement, the Seller shall: (i) exercise due diligence and comply with the legal provisions, in particular as regards on employing youth workers regulations; (ii) if the Goods/Services dedicated to or with specific purpose for the Buyer or other company from Philip Morris International Inc are produced/provided outside of Republic of Latvia, then the Seller agrees not to employ children below 15 years of age to produce/provide them. If the local law of the country where such work is performed provides for a higher age limit, the Seller shall ensure compliance with such regulations. The Seller also represents that no forced labour shall be used to produce such Goods or provide such Services; (iii) If the Seller is in breach of the obligations specified in items (i) and (ii) of this clause, the Buyer shall have the right to terminate this Agreement with immediate effect.
 - 3.17. Any general terms and conditions, contract templates or documents of similar nature used by the Seller shall not apply to this Agreement and their application shall be hereby excluded.

4. Payment

- 4.1. The Buyer shall pay the Seller the fee as set out in the Order. In addition to the fee, the Buyer shall pay the Seller VAT, if applicable, at the prevailing rate. The Buyer shall not be liable for any tax or other levy charged on amounts paid pursuant to this Agreement (except VAT, if applicable), and the Seller hereby undertakes to indemnify the Buyer in respect of any and all such claims for payment.
- 4.2. When the Seller has delivered the Goods or performed the Services (or both), the Seller shall present the invoice to the Buyer within 3 business days from its issuance in PDF format by e-mail from the Seller's approved e-mail address to the following email address: PMLatvia_invoice@pmi.com, in the subject of the e-mail indicating the name of the Seller and a number of an invoice. The invoice should accurately detail the relevant Goods or Services and comply with the Buyer's and applicable legal acts requirements for invoicing.
- 4.3. The Buyer shall pay via bank transfer for the Goods and Services within 60 calendar days of the date of the invoice receipt, unless other payment terms are indicated in the Order confirmed by the Buyer and Seller. In any case, the payment is made only upon receipt of a duly issued invoice. The Buyer has the right to deduct from the payable

amount (or any part thereof) any damages (including but not limited to penalties (fines and default interest)) incurred by the Buyer due to the Seller's infringement of legal acts or failure to properly fulfil its obligations hereunder.

- 4.4. The Buyer shall have the right to suspend the payment of the whole or any part of the fee until the timely and defect-free performance by the Seller of all of their contractual obligations towards the Buyer. In the above circumstances, the Buyer is not in delay or in default with paying the fee.
- 4.5. The Seller agrees to provide written notification of each change of their bank account. Lack of information about any change of the bank account shall not cause any adverse consequences to the Buyer, whether legal or financial, in particular liability to pay any late-payment interest by the Buyer.

5. Confidentiality

- 5.1. This Agreement, Confidential Information and any other information pertaining hereto shall be deemed to be confidential, and neither Party may disclose it to a third party without a prior written consent of the other Party.
- 5.2. The Seller obliges himself to hold all Confidential Information in strict confidence, to apply to such Confidential Information at least the same standard of care with which it treats its own proprietary and confidential information, and to refrain from using any Confidential Information for its own or any third party's benefit or in any other manner not authorized in writing by the Buyer.
- 5.3. Each Party may disclose the other Party's Confidential Information as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority.
- 5.4. Neither Party shall use any other Party's Confidential Information for any purpose other than to perform its obligations under this Agreement.
- 5.5. In case of any breach of the confidentiality obligations this clause 5, the Seller shall pay a fine in amount of 10 000 (ten thousand) EUR for each breach. In addition to the payment of a fine, indicated herein, the Buyer has the right to claim other damages, which were not covered by the fine, caused by such breach.
- 5.6. The aforementioned obligations are enduring and are binding both prior to and after the performance of obligations under this Agreement for an indefinite period of time.

6. Liability of the Parties

- 6.1. The Seller shall be liable for all the damages and compensate to the Buyer all losses caused by Seller, related to Seller's actions/non-performance of actions according to the written claim by the Buyer.
- 6.2. Neither Party limits liability for death or personal injury caused by negligence, or for fraud, wilful misconduct or gross negligence, infringements of clause 5 or clause 6.3 of this Agreement or to the extent mandatory law prohibits any limit.
- 6.3. If the Seller fails to deliver Services and/or Goods under the accepted Order for reasons not attributable to the Buyer, the Buyer shall have the right to demand that the Seller pay a fine in the amount of 20 % of the total fee. If the fine specified herein fails to cover the entire damage suffered by the Buyer, the Buyer shall have the right to pursue supplementary damages pursuant to general provisions of law.
- 6.4. Immediately after the request and without any conditions, the Seller shall indemnify and keep harmless the Buyer for any loss (including indirect losses), damage, claims, costs and expenses incurred by the Buyer and/or any other third party due to any failure by the Seller to comply with its obligations hereunder.

7. Provisions that apply for purchase of Goods

- 7.1. The Seller warrants that (a) the Goods will be free from any liens or encumbrances on title that could affect the Seller's right to transfer title of the Goods to the Buyer; (b) the Goods will be free from defects and shall meet all requirements indicated in Order, specifications, standards, procedures, methods or systems referred to in this Agreement and legal acts; (c) the Goods will be free from any defects in design, workmanship or materials, etc.; (d) the Goods will be suitable for normal commercial use; and (e) the Goods will be manufactured, packaged and labelled in accordance with this Agreement and all laws and standards of the countries of manufacture, distribution, and intended use, including laws on labour and employment, manufacturing, transport, data protection, environment, competition and fair market practices.
- 7.2. The Seller warrants that the Goods will not infringe any Intellectual Property Rights. The Seller shall defend the Buyer and its Affiliates against any claims that the Goods infringe any such rights, and shall indemnify them from any loss, damage, costs, expenses, settlements, and judgments incurred by the Buyer or its Affiliates or anyone deriving their right to use the Goods from the Buyer or its Affiliates arising out of, or in connection with, any claim that the Goods infringe Intellectual Property Rights.
- 7.3. The Seller shall suitably package the Goods and deliver them (or engage a carriage company to do so) at the time and place specified in the Order. The Seller shall insure the Goods until acceptance of the Goods by the Buyer. The benefits and burdens pertaining to the Goods and the risk of their accidental loss or damage shall pass to the Buyer

upon the Buyer's acceptance of such Goods, which shall be confirmed in any documented written form (e.g. protocol of release and acceptance or by Buyer's e-mail).

- 7.4. In the event of late delivery for more than 14 (fourteen) days the Buyer may cancel this Agreement with no obligation or liability, except as provided in clause 7.8, even if the Buyer has already received the Goods. In addition, the Buyer shall have the right to demand that the Seller pays default interests in the amount of 0.05% of the entire fee arising from the Order, calculated for each day of delay starting with the first delay day. If the default interests specified herein fail to cover the entire damage suffered by the Buyer, the Buyer shall have the right to pursue supplementary damages pursuant to general provisions of law. Alternatively, the Buyer may allow the Seller additional time to make delivery, without waiving any right to damages against the Seller. The Buyer reserves the right to claim damages and default interest from the Seller in the event of late delivery and in the event of any failure of the Seller to perform its obligations under this Agreement or legal acts that causes loss or expenses to the Buyer.
- 7.5. The Buyer may refuse to accept any surplus of the Goods above the quantity specified in the Order, and in the event of such refusal, the Buyer shall not be liable therefore in any manner whatsoever neither to the Seller nor to any third parties, and specifically the Buyer shall not bear any costs, expenses or risk involved in returning such unaccepted surplus of the Goods to the Seller.
- 7.6. Should the Buyer receive, or pay for the Goods, this shall not, of itself, imply that: (a) the Buyer: (i) accepts the Goods; or (ii) waives any of its rights; (b) the Goods meet the Buyer's specifications or requirements; or (c) the Seller has complied with its obligations under clauses 7.1 or 7.2.
- 7.7. If the Goods do not comply with the requirements and warranties in clauses 7.1, 7.2 or indicated in the Order or applicable legal acts, the Buyer may (without limiting any of its other rights) reject the Goods in whole or in part and/or require the Seller to replace or repair some or all of the Goods and/or have the fee for the defected Goods reduced. The warranties in clause 7.1 shall be valid for 24 months, or other term indicated in the Order, from the date the Goods are delivered, save for the warranty in clause 7.2, which shall continue indefinitely. The Buyer is entitled to notify the Seller of a breach of the warranties at any time during 24 months, or other term indicated in the Order.
- 7.8. If the Buyer cancels this Agreement or rejects all or some of the Goods pursuant to these Terms and Conditions, the Buyer shall have no obligation to the Seller other than to allow the Seller to collect the rejected Goods at the time and place the Buyer specifies to the Seller. The Buyer may claim from the Seller reasonable storage and insurance expenses (if it incurs any) from the time that the Goods were received until the Seller collects the rejected Goods.
- 7.9. The Seller must ensure that all the Goods, which are hazardous because of their chemical composition, are properly marked with relevant warning signs and in accordance with all other applicable requirements. The Seller must supply the Buyer with the internationally accepted descriptions of all supplied hazardous and harmful chemical materials and goods: MSDS (Materials Safety Data Sheet).

8. Provisions that apply for purchase of services

- 8.1. The Seller warrants and represents that he shall perform its obligations hereunder with due diligence applicable to performance of this type of Services and according to the below indicated Service standards:
 - (a) The Seller shall provide the Services in a professional and timely manner, using the level of skill, knowledge and judgment required, or reasonably expected, of suppliers of comparable services. The Seller warrants that the Services conform to all descriptions and specifications that the Seller has provided to the Buyer, applicable legal acts and Buyer's specifications. The Seller shall give the Buyer oral and written progress reports, as the Buyer may request from time to time. In the event that the Seller is providing the Services on a time and materials basis, upon completion of the Services the Seller shall submit for the Buyer's acceptance a report specifying the number of hours worked and materials used. The Seller shall present Work Products in a form and manner acceptable to the Buyer.
 - (b) The Seller holds all relevant permits to carry out its business activity and provide Services, as well as all certificates, attestations or other documents required by the law or indicated by the Buyer.
- 8.2. In performing the Services, the Seller shall comply with: (i) applicable law; (ii) safe working practices (including, if the Services are to be provided at a site of the Buyer or an Affiliate, the Buyer's Environment, Health, Safety & Security Guidelines; and (iii) any policies and codes of business conduct that the Buyer notifies the Seller.
- 8.3. If the Services fail to comply with the provisions of this Agreement or legal acts, the Buyer may (without prejudice to any other rights it may have): (i) request the Seller to perform such corrective or additional Services as may be necessary to remedy such failure; and/or (ii) refuse to accept any subsequent performance of the Services which the Seller attempts to make; and/or (iii) terminate this Agreement in whole or in part; and/or (iv) purchase substitute services from another supplier at Seller's expense; and/or (v) hold the Seller accountable for any loss and additional

costs incurred; and/or (vi) have the Seller refund all sums that the Buyer previously paid the Seller under this Agreement and demand any other losses which were caused due to actions or inactions of the Seller.

- 8.4. In the event of late performance of Services, the Buyer may cancel this Agreement with no obligation or liability, even if the Seller has performed a part of the Services. In addition, the Buyer shall have the right to demand that the Seller pays default interests in the amount of 0.05% of the entire fee arising from the Order, calculated for each day of delay. If the default interests specified herein fail to cover the entire damage suffered by the Buyer, the Buyer shall have the right to pursue supplementary damages pursuant to general provisions of law. Alternatively, the Buyer may allow the Seller additional time to perform the Services, without waiving any right to damages against the Seller. The Buyer reserves the right to claim damages and default interest from the Seller in the event of late performance and in the event of any failure of the Seller to perform its obligations under this Agreement or legal acts that causes loss or expense to the Buyer.
- 8.5. The Seller shall grant the Buyer a warranty to cover quality, correctness and reliability of the Services rendered on the basis of the Order for its effective term, and also for the period of at least 12 (twelve) months after the completion of the Services, unless otherwise indicated in the Order.

9. Intellectual Property Rights

- 9.1. The Seller warrants that all Work Products shall be its original work. The Seller hereby (i) transfers to the Buyer, free of claims, all Intellectual Property Rights in Work Products from the moment of their creation; and (ii) waives all moral rights relating to Work Products. The Buyer shall retain exclusive ownership of the Work Products and related Intellectual Property Rights after termination or expiry of this Agreement and shall have a right to dispose and use Work Products upon his will, including but not limited to publish it or to present it in any other way, to change it and to use it otherwise, to transfer it in any form to third persons and fully benefit from them in any other way. The Seller shall provide all assistance reasonably required to perfect the Buyer's rights under this clause, including executing a certificate of acknowledgement of the Intellectual Property Rights transfer and such other documents as the Buyer reasonably requests in order to register, establish, maintain, perfect, assert or defend any Intellectual Property Rights in the Work Product.
- 9.2. The law of some countries may not permit the transfer of Intellectual Property Rights as indicated in clause 9.1 of these Terms and Conditions. To the extent that is the case, the Seller hereby grants to the Buyer and its Affiliates, for the full term of Intellectual Property Rights protection, an exclusive, sub-licensable, worldwide, irrevocable, assignable, royalty-free licence to use, modify and add to the Intellectual Property Rights (and any proprietary rights or technology contained in or relating to them), and to combine such with other materials, in each case to the extent necessary to allow the Buyer and its Affiliates to use, manufacture and develop the Work Product and to be able to fully benefit from the rights granted to it under this Agreement.
- 9.3. The Seller transfers, from the moment of delivery to the Buyer, title to all physical items that it delivers to the Buyer under this Agreement.
- 9.4. The Seller acknowledges that the sums payable by the Buyer under this Agreement are good, valuable and complete consideration for the vesting of ownership in the Buyer of the Work Products and Intellectual Property Rights in them; the transfer of title in the physical items.
- 9.5. The Seller shall not disclose to the Buyer confidential information of others. The Seller warrants that the Work Products does not infringe any Intellectual Property Rights of any third party. The Seller shall defend the Buyer and its Affiliates against any claims that the Work Product infringes any such rights, and shall indemnify them from any loss, damage, costs, expenses (including reasonable attorneys' fees), settlements, and judgments incurred by the Buyer or its Affiliates or anyone deriving their right to use Work Product from the Buyer or its Affiliates arising out of, or in connection with, any claim that the Work Product infringes Intellectual Property Rights. The Buyer shall promptly notify the Seller of any such claim.

10. Data protection *[this clause shall apply to Orders which are related with the disclosure of Personal data]*

- 10.1. While rendering the Services or providing Goods, the Seller shall observe and comply with the personal data protection laws as defined in the Republic of Latvia.
- 10.2. In case the Buyer provides information to the Seller, which contains Personal data or the Seller accesses information, which contains Personal data while he processes the Orders and provides Services/Goods, it shall be used solely for the purposes of rendering the Services or providing Goods under this Agreement within the validity term of the Agreement, unless some longer period is provided by applicable laws of the Republic of Latvia.
- 10.3. This clause 10.3 applies both to the Seller's processing Buyer Personal Data as a **Data Processor** (clause 10.4), and to its processing Buyer Personal Data as a **Data Controller** (to the extent permitted in clause 10.5).
- 10.3.1. The Seller shall comply with applicable Data Protection Law in Processing Buyer Personal Data.

10.3.2. Each Party shall reasonably cooperate with, and assist, the other in respect of any: (i) threat to, or compromise of, the confidentiality, integrity or availability of Buyer Personal Data; and (ii) communications, requests (e.g. subject access requests, or requests to correct or delete), objections or any other communications received from regulatory authorities or any other person concerning Buyer Personal Data.

10.4. This clause 10.4 applies to all the Seller’s processing of Buyer’s Personal Data, save where the Seller processes Buyer Personal Data as a Data Controller in accordance with clause 10.5.

10.4.1. The Buyer appoints the Seller as its **Data Processor** of the Buyer’s Personal Data.

10.4.2. The Seller shall process Buyer’s Personal Data only: (i) on behalf of the Buyer (and not for itself); (ii) for the purpose of providing the Services; (iii) so far as necessary to provide the Services; and (iv) in accordance with the Buyer’s reasonable instructions from time to time.

10.4.3. The Seller shall process data as per Buyer’s written instructions for Processing under clause 10.4 hereof, save to the extent amended or supplemented in the Order:

(i) Subject matter of the Processing:	The provision of the Services to the Buyer.
(ii) Duration of the Processing:	The term of the Agreement.
(iii) Nature and purpose of the Processing:	As per the description of the Services, and as further specified in the Order.
(iv) Types of Personal Data being Processed:	See the Order.
(v) Categories of Data Subject to whom the Personal Data being Processed relates:	See the Order.

10.4.4. Subject to clause 3.2, should the Seller appoint any subcontractor as a further Data Processor to Process Buyer Personal Data, the Seller shall engage them on terms that provide equivalent protections to those set out in this clause 10.4.

10.4.5. The Seller may not Process Buyer Personal Data outside the Seller’s jurisdiction (and, where the Seller is in the European Economic Area, the Seller’s jurisdiction shall be considered to be the European Economic Area) unless it has first: (i) obtained the Client’s prior written consent; and (ii) agreed with the Client, and put in place, the measures which are necessary to ensure the transfer is in compliance with applicable data protection law.

10.4.6. Assistance to the Buyer

(i) The Seller shall, upon the Buyer’s request, assist the Buyer to assess the impact of the Processing on the protection of Buyer Personal Data, including by providing:

- A. a systematic description of the way that Buyer Personal Data is Processed or planned to be Processed;
- B. a description of the measures it has implemented to protect Buyer Personal Data and to assist the Buyer in responding to Data Subject requests; and
- C. an assessment of the specific risks, of which the Seller is aware, to the rights and freedoms of Data Subjects arising out of or in connection with the Seller’s Processing.

(ii) The Seller shall assist the Buyer as reasonably requested in cases where the Buyer decides to carry out a prior consultation with the relevant data protection authority.

10.4.7. The Seller shall: (i) maintain a list of all subprocessors that it has engaged to Process Buyer Personal Data, and of the location of such subprocessors (including all proposed locations of Processing); (ii) make that list available to the Buyer upon request (for example, by making it available on the Seller’s corporate website); and (iii) keep that list up to date.

10.4.8. The Seller shall make available to the Buyer all information necessary to demonstrate compliance with this clause 10 and applicable data protection law and allow for and contribute to audits (including inspections)

of that compliance, conducted (upon Party shall bear its costs of preparing hours) by the Buyer or another auditor mandated by the Buyer.

- 10.4.9. Within 14 days of the expiry (or termination) of the Agreement, the Seller shall (at the Buyer's election) destroy or return to the Buyer all Buyer Personal Data in its possession or control. This requirement shall not apply to the extent that the Seller is required by applicable law to retain some or all of the Buyer Personal Data.
- 10.4.10. The Seller shall, if it receives any communication from any person (including Data Subjects or data protection authorities) with respect to its Processing of Buyer Personal Data: a) notify the Buyer within 1 working day of receiving it; b) assist the Buyer as reasonably required to enable the Buyer to respond to it; and c) not respond directly to it without the Buyer's written permission.
- 10.4.11. The Seller shall inform the Buyer immediately in writing if it considers that any of the Buyer's instructions infringe applicable data protection law.
- 10.4.12. The Seller shall assist the Buyer with any Data breach and any suspected or threatened Data breach (each, a "Security Event") by: (i) notifying the Buyer within 24 hours of becoming aware of the Security Event; (ii) providing the Buyer with all relevant information and documentation in its (or its subprocessors') knowledge, possession or control concerning the Security Event; and (iii) by co-operating with the Buyer and taking such steps as the Buyer may reasonably require to assist in investigating, mitigating and remediating any Security Event.
- 10.5. This clause 10.5 applies both to the Seller's Processing of Buyer Personal Data as a Data Processor, and (to the extent specified in clause 10.6) to its Processing of Buyer Personal Data as a Data Controller. The Seller shall: (i) comply with all applicable data protection law in Processing Buyer Personal Data; (ii) ensure that each person acting under its authority with access to Buyer Personal Data is bound by appropriate contractual obligations of confidentiality or is under an appropriate statutory obligation of confidentiality in relation to Buyer Personal Data; and (iii) implement and maintain appropriate technical and organisational measures necessary to protect the Buyer Personal Data from accidental or unlawful destruction, damage, loss, alteration, unauthorised disclosure or access, including the measures set out in the Buyer's information security schedule available at <https://www.pmi.com/legal/legal-documents> and (without prejudice to the generality of the foregoing), as required by applicable data protection law.
- 10.6. The Seller may process on its own behalf (as a **Data Controller**) Buyer's Personal Data that comprises contact details of personnel of the Buyer or of its Affiliates only to the extent that the Seller needs to process such data for the purpose of (i) exercising its legal rights; or (ii) managing its commercial relationship with the Buyer and its Affiliates, provided this shall not include marketing to individual employees of the Buyer or its Affiliates, or of a supplier to any of them.
- 10.7. The Seller shall, where it acts as a Data Controller, notify the Buyer as soon as is reasonably practicable of a Data breach after becoming aware of it, and shall (without prejudice to its other obligations under this clause 10) consult with the Buyer about such steps as may reasonably be necessary or appropriate to investigate, mitigate and remediate the Data breach and otherwise assist the Parties to discharge their respective obligations under applicable data protection law.
- 10.8. The Buyer and its Affiliates will process on their own behalf (each as a Data Controller) certain Personal Data relating to the Seller and its Affiliates. For details, see the Third Party Privacy Notice.

11. Definitions

Affiliate – means any entity which controls, is controlled by, or is under common control with, the relevant party; and "control" (and variants of it) means the ability, directly or indirectly, to direct the affairs of another by means of ownership, contract or otherwise.

Agreement – means the agreement formed by the Order and these General Terms and Conditions.

Buyer – means **SIA Philip Morris Latvia**, with its registered address at Krišjāņa Valdemāra iela 62, Rīga, LV-1013, Latvia, and identified as such (or similar, e.g. "Client", "Customer") on the Order.

Confidential Information – means any business and/or technical information (i) relating to the subject matter of the Services, Goods or Work Product, (ii) concerning the respective products, operations, research and development efforts, strategies of providing information to public, publicity, development, etc., inventions, trade secrets, computer software, plans, intentions, market status and/or opportunities, processes, recipes, formulae, vendor and customer relationships, finances and other business operations and affairs of the Buyer and Philip Morris International Affiliates, and (iii) of third parties that the Buyer maintains in confidence, that has been or may be

disclosed to the Seller in written and/or other materials, through Seller's access to the premises, equipment or facilities of the Buyer or any of its Affiliates, or by oral communication, communication via electronic means, etc., with employees, consultants, or agents of the Buyer or its Affiliates, in connection with, or incidental to, the Services, Goods or Work Product and related documentation, and all tangible embodiments of such information.

Buyer Data / Buyer Personal Data – means data that either: (a) the Buyer, or a person acting on its behalf, provides to the Seller, or permits the Seller to access, in connection with this Agreement; or (b) the Seller creates in providing the Services.

Data Controller – means a person who, alone or jointly with others, determines the purposes and means of the processing of Personal Data.

Data Processor – means a person who processes Personal Data on behalf of a Data Controller.

Data Subject – means an identified or identifiable individual or legal entity. An “identifiable” individual or legal entity is one who can be identified, directly or indirectly, including by reference to an identification number or to one or more factors specific to his physical, physiological, mental, economic, cultural or social identity.

Goods – means the goods that the Seller is to provide under the Order.

Intellectual Property Rights – means all rights in any country or jurisdiction in patents, inventions, trade secrets and other rights in know-how, copyrights (including any extensions or renewals), rights affording equivalent protection to copyright, rights in databases, registered designs, design rights, industrial designs and utility models, trademarks, trade names, business names, trade dress, logos, domain names and all registrations or applications to register any of the foregoing items.

Order – means the document (for example, a purchase order, contract information document) that incorporates these terms.

Party – the Seller and the Buyer separately, or together.

Personal Data – means any data that relates to a Data Subject.

to “**Process**” (and variants of it, such as “Processing”) means to perform any operation or set of operations upon data, whether or not by automatic means, such as collecting, recording, organising, storing, adapting or altering, retrieving, consulting, using, disclosing (by transmission, dissemination or otherwise making available), aligning or combining, blocking, erasing or destroying.

Seller – means a natural person, or a legal entity that conducts economic or professional activity in its own name and identified as such (or similar, e.g. “Supplier, “Service Provider”) on the Order.

Services – means the services that the Seller is to provide under this Agreement.

Work Product – means all materials that the Seller creates or delivers to the Buyer in the performance of this Agreement. This also includes but not limited to drawings, projects, specifications, pictures, other working documents.