Sanctions Clauses

1. DEFINITIONS

In these Sanctions Clauses, subject to the context in which it is used herein:

i. "**Applicable Laws**" means, with respect to any person or thing, supranational, national, state, provincial, municipal or local law, common law, regulation, directive, guideline, constitution, act of parliament, ordinance, treaty, convention, by-law, circular, guidance, notice, codes, rule (including the rules of any applicable stock exchange), order, injunction, judgment, decree, arbitral award, ruling, finding or other similar requirement enacted, adopted, promulgated or applied by an Authority, including any amendments, re-enactment or replacement of it, that has the force of law with respect to such person or thing in any jurisdiction;

ii. "**Authority**" includes any supranational, national, state, municipal or local government, governmental, semigovernmental, intergovernmental, regulatory, judicial or quasi-judicial body, agency, department, entity or authority, stock exchange or self-regulatory organisation established under statute and shall include persons exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government;

iii. "**Contract**" means the contract between us and you;

iv. "**ADL**", "**we**" or "**us**" means Axiata Digital Labs (Private) Limited (Company No. PV 00201847) and its subsidiaries;

v. "**Products/Services**" means the tangible or intangible goods or items which are or are to be provided by you under the Contract;

vi. "**Purchase Order**" means the purchase order issued by us to you, and all documents attached by us to, or referenced by us in, the purchase order;

vii. "**Sanction(s)**" refers to the measures imposed by Authority to restrict trade, financial transactions, or other economic activities with a specific country, entity, or individual. Types of sanctions may include financial sanctions, trade sanctions, embargo and diplomatic sanctions;

viii. "**Sanctions Laws**" means Applicable Laws relating to Sanction(s), which may include the following Sanctions lists:

(a) the United Nations Security Council (UNSC) Sanctions Lists, or its equivalent;
(b) the consolidated list of persons, groups and entities subject to EU financial sanctions, or its equivalent;
(c) the Specially Designated Nationals and Blocked Persons List (SDN)) issued by the U.S. Department of the Treasury's OFAC, or its equivalent;
(d) the financial sanctions list issued by the Office of Financial Sanctions Implementation, HM Treasury, or its equivalent;
(e) the sanctions list(s) issued by the Financial Action Task Force (FATF), or its equivalent;
(f) the restriction list(s) issued by the Central Bank of Sri Lanka, or its equivalent;
(g) the list(s) of restricted persons issued by the relevant Sri Lankan authorities; and (h) the sanctions list(s) issued by the relevant Authority;

ix. "**Sanctioned Person**" means any individual, company, entity or organisation that is subject to Sanction(s) imposed by the relevant Authority;

x. "**Sanctions Requisite Approval for Payment**" means the prior written approval for payment given and approved by the Authority in accordance with the Sanctions Laws, or its equivalent;

xi. "**you**" or "**your**" means the entity named in the Contract.

2. INTERPRETATION AND CONSTRUCTION

In these Sanctions Clauses, unless the context otherwise requires:

(a) words denoting the singular number include the plural and vice-versa;
(b) words denoting a gender include every gender;
(c) "person" and words denoting natural persons include bodies corporate and unincorporated, governments, government officials, government departments, agencies or instrumentalities, officials of government departments, agencies or instrumentalities, public international organisations, officials of public international organisations, political party, political party officials, candidates for political office, or their respective representatives or proxies;
(d) words denoting bodies corporate or unincorporated include natural persons and vice versa;
(e) references to any legislation or law or to any provision of legislation or law shall include any modification, amendment, re-enactment or substitution of that legislation, law or provision and all regulations, directives,

guidelines, by-laws, circulars, guidances, notices, codes, rules and statutory instruments issued under such legislation or law that has the force of law.

2.2 A rule of construction does not apply to the disadvantage of a party because the party was responsible for the preparation of these Sanctions Clauses or any part of it.

2.3 In respect of or in connection with Sanction(s), in the event of any conflict or inconsistency between any provision in these Sanctions Clauses and any provision in any other part of the Contract, the former shall prevail.

3. SANCTIONS

3.1 You represent and warrant that:

(a) neither you nor any of your shareholders, subsidiaries, directors, officers, employees, representatives, agents or subcontractors is a Sanctioned Person or is owned or controlled by, or acting on behalf of, a Sanctioned Person; and

(b) neither you nor any of your shareholders, subsidiaries, directors, officers, employees, representatives, agents or subcontractors has violated or potentially violated the Sanctions Laws; and

(c) neither you nor any of your shareholders, subsidiaries, directors, officers, employees, representatives, agents or subcontractors has entered into any contract, transaction, agreement, arrangement or otherwise engaged in any commercial activity that could violate the Sanctions Laws or reasonably be expected to result in it being designated as a Sanctioned Person.

3.2 You shall, during and throughout the term of the Contract, observe and comply with the Sanctions Laws and shall ensure that your shareholders, subsidiaries, directors, officers, employees, representatives, agents or subcontractors do not violate any Sanction Laws.

3.3 In the event you have knowledge that you or any of your subsidiaries, directors, officers, employees, representatives, agents or subcontractors has:

(a) become a Sanctioned Person;
(b) violated any Sanctions Laws;
(c) violated this Sanctions Clause 3; or
(d) entered into any contract, transaction, agreement, arrangement or otherwise engaged in any commercial activity that could violate any Sanctions Laws or reasonably be expected to result in it being designated as a Sanctioned Person,

then you shall provide notice in writing ("**Sanctions Notice**") to us as soon as practicable (and in any event, within two (2) calendar days) after becoming aware of such information.

3.4 If you deliver a Sanctions Notice to us and we solely consider that the event described in **Clause 3.3** renders it impossible or unlawful: (a) for us to substantially or partially fulfil our obligations under the Contract; (b) for us to remain a party to the Contract; or (c) for you to perform your obligations under the Contract, we may, at our sole discretion, terminate the Contract with immediate effect and without incurring any liability whatsoever by issuing termination notice to you.

3.5 For the purpose of termination pursuant to **Clause 3.4, Clause 4(a)**, **Clause 4(b)** or **Clause 4(c)** of these Sanctions Clauses, notwithstanding any provision in the Contract :

(a) we shall only be liable to make payment of the amounts referred to in the Contract ; and

(b) you shall only remit the payment for such refund referred to in the Contract (if any), provide that the following conditions have been satisfied:

(i) you have obtained the Sanctions Requisite Approval for Payment, authorising us to remit such payment to you, third party or financial institution(s), or authorizing you, third party or financial institution(s) to remit such refund to us, as the case may be, as specified in the Sanctions Requisite Approval for Payment;

(ii) you have furnished to us the Sanctions Requisite Approval for Payment and all supporting documents for our reference;

(iii) you have fulfilled and accepted all the terms and conditions, including those pertaining to the sum of such payment or refund (as the case may be), method, and schedule, as may be stipulated under the Sanctions Requisite Approval for Payment; and

(iv) we have obtained external legal advice confirming that the Sanctions Requisite Approval for Payment is adequate and sufficient, to our satisfaction.

Clause 3.5(b) and the conditions under **Clause 3.5(b)(i), (ii), (iii)** and **(iv)** shall apply, *mutatis mutandis*, to your obligation to provide us with a refund under any other provision or provisions of the Contract

3.6 For the avoidance of doubt, upon termination of the Contract pursuant to **Clause 3.4**, **Clause 4(a)**, **Clause 4(b)** or **Clause 4(c)** of these Sanctions Clauses, we shall have no obligation whatsoever to pay you for the Products/Services until and unless the conditions specified in **Clause 3.5** of these Sanctions Clauses have been satisfied.

4. TERMINATION

The Contract may be terminated by giving written notice ("**Notice**") by us, with immediate effect where:

(a) we have reasonable grounds to believe that you, or any of your shareholders, subsidiaries, directors, officers, employees, representatives, agents, or subcontractors, is or has become a Sanctioned Person, or is owned, controlled by, or acting on behalf of a Sanctioned Person;

(b) we have reasonable grounds to believe that you, or any of your shareholders, subsidiaries, directors, officers, employees, representatives, agents, or subcontractors has violated or potentially violated the Sanctions Laws; or

(c) we have reasonable grounds to believe that you, or any of your shareholders, subsidiaries, directors, officers, employees, representatives, agents, or subcontractors has entered into any contract, transaction, agreement, arrangement or otherwise engaged in any commercial activity that could violate the Sanctions Laws or reasonably be expected to result in it being designated as a Sanctioned Person.

5. INDEMNIFICATION

You shall on demand defend and indemnify us, and our respective directors, officers, employees, representatives and agents (collectively "**Indemnified Persons**") against all claims, demands, actions, proceedings, costs, losses, damages, liabilities and expenses howsoever incurred, suffered, paid or payable by the Indemnified Persons (including legal costs on a solicitor client basis and fines and penalties and costs and expenses of procuring replacement or alternative products and services) in respect of any breach of these Sanctions Clauses.

6. VARIATIONS

Notwithstanding any other provision in the Contract, ADL may vary (including add to) these Sanctions Clauses at any time or from time to time without any notice to you. The latest version of the Sanctions Clauses: (a) will be published on www.axiatadigitallabs.com (or such other website/webpage as may be determined by ADL from time to time); and (b) shall supersede the immediately preceding version of the Sanctions Clauses and be binding on you with effect from the date stated as the Effective Date set out at the top of the Sanctions Clauses. In the event of any conflict or inconsistency between this **Clause 6** and any provision in any other part of the Contract, the former shall prevail.