DESIGN TERMS AND CONDITIONS

1. Scope: These are the terms and conditions governing the outsourcing of design and development activities (the "Design Terms") between SCHRÉDER SA (rue de Lusambo 67, registered in Belgium under company number 403.217.617) or any of its subsidiary ("Schréder") and any services supplier ("Supplier").

2. Definitions

Author means any and all physical person(s) which have contributed to the creation or invention of the Rights.

Acceptance Criteria means the criteria used by the Parties to assess the compliance of a Service or a Deliverable with the applicable Requirements.

Certificate of Originality means any certificate by which the Supplier confirms that the Deliverables are original, new and free of any liens or encumbrance (with mention – if applicable – of Third Party IPR or Supplier IPR or open source software and related licenses).

Confidential Information means all information, irrespective of its subject matter (technical, industrial, financial, commercial, etc.), of its nature (know-how, Intellectual Property Rights, methods, drawings, model, trade secret, processes, technical and installation details, source code materials, documentation, programming principles, samples, products, brochures, data of any nature, etc.), of its support (hand written or printed documents, USB or external drives, CD-ROMs, floppy disks, samples, drawings, etc.), of the method of transmission (in writing, orally, through IT systems including networks and/or by electronic mail), which is disclosed by a Party (or any of its Affiliates) to the other Party in the performance of these Design Terms and of the Contract(s). Confidential Information shall include but not be limited to all documents related to the Mission, to the Work, drawings, plans, formulas, methods, know-how, processes, designs, new products, developmental work, marketing requirements, marketing plans, Parties’ names, the terms and pricing under this Agreement or any Contract, the engineering, technical or commercial projects, or technical data of which a Party is aware or which are likely to come to its knowledge, directly or indirectly, including after the termination of the Mission and all information disclosed between the Parties in written form, orally or through other media (including during meetings or visits to the other Party plants or premises), whether or not the tangible or intangible material is marked or identified as being "Confidential", or that can be reasonably considered to qualify as confidential or proprietary considering the nature of the information and the circumstances of disclosure.

Contract means Schréder’s Purchaser Order as accepted and countersigned by the Supplier. Each Contract shall be considered as an attachment to these Design Terms and shall be subject to its prevailing terms and conditions.

Deliverables means any materials, including without limitation designs, plans, models, drawings, specifications, analysis, reports, software, application, database, or enhancements to pre-existing works, that are created or developed specifically by the Supplier for Schréder in the frame of a Mission or provided under the Services, and which are further specified in the relevant Contract.

Design Terms or Agreement means the present agreement.

IPR Competition Analysis means any analysis of the products, Intellectual Property Rights or technologies of third parties performed by or on behalf of one of the Parties.

Intellectual Property Rights or IPR means (a) Copyrights, patents, database rights and rights in trade-marks, designs, know-how, business secrets and trade secrets (regardless of the manner in which business secrets and trade secrets are kept or documented) and Confidential Information (whether registered or unregistered); (b) Applications for registration, and the right to apply for registration, for any of these rights; and (c) All other intellectual property rights and equivalent or similar forms of protection existing anywhere in the world.

Mission/Project means the mission assigned by Schréder to the Supplier as laid down and described in each relevant Contract. The Mission may be carried out in different phases (the "Phases"), if mentioned as such in the relevant Contract, as the case may be.

Milestones means the milestones to be respected by the Supplier for each particular Mission, specified in each relevant Contract.

Purchase Order or Order means the purchaser order or statement of work issued by Schréder to the Supplier, specifying the terms and conditions under which the Supplier shall perform a particular Mission, provide the related Services and deliver/create the Deliverables, and describing the Mission, the Implementing Rules, the Requirements and the Milestones.

Requirements means Schréder’s requirements for the Mission, covering the Services and all Deliverables, as laid down in the relevant Contract and its Annex(s).


Security means the ability of the provided Services, Mission and Deliverables to resist, at a given level of confidence, any action that compromises the availability, authenticity, integrity or confidentiality of stored or transmitted or processed data (in particular Schréder (personal) data).

Services means all services to be provided by the Supplier to Schréder in the frame of the Mission, as further defined in the Contract(s).

Third Party means any entity or person other than the Parties and their respective Affiliates.

Working Days or Business Day means the part of a day during which businesses are operating in a given country, usually from 9 am to 6 pm Monday through Friday, and usually excluding Saturdays, Sundays and public holidays.

3. Provision of Services

3.1 Services, Mission and Deliverables

By issuing an Order, Schréder entrusts to the Supplier the execution of particular Mission(s) further detailed in these Design Terms and in the relevant Order. Each Mission and the related provision of Services and Deliverables shall be subject to the terms and conditions of these Design Terms. Any non contradictory provision of the General Terms and Conditions of Purchase of Schréder, available here, shall apply in addition these Design Terms. Each Mission shall be carried out by the Supplier in accordance with any Implementing Rules, Requirement and/or Milestones laid down in the relevant Order/Contract, which are of crucial importance to Schréder. The non-respect of these obligations may lead to penalties in favor of Schréder. Each Mission shall be carried out following implementing rules, testing and Acceptance Criteria and process(es) laid down in the relevant Contract and/or its Annexes (the “Implementing Rules”). Unless otherwise mentioned in the relevant Contract, the realization of the Mission contains an obligation of results. The result to be obtained is described in the relevant Contract.

3.2 Delivery/Acceptance

Time is of the essence under this Agreement. Supplier must deliver the Services and Deliverables on the delivery date specified in the Contract or its Annexes (the “Delivery Date”). Supplier will immediately notify Schréder of any prospective inability to meet the Delivery Date. Except in the case of a notified excusable delay, should Supplier fail to deliver Services or Deliverables on the scheduled Delivery Date, Supplier shall bear the extra costs resulting from such failure, notwithstanding any agreed penalty. If Supplier does not deliver the Services or Deliverables on the Delivery Date, it is automatically considered as a material breach by the Supplier and Schréder has the right, without prejudice to any other rights accruing under these Design Terms or under applicable law, to cancel all or any part of the corresponding Service or Contract. Supplier shall make no partial delivery under a Purchase Order unless authorized by Schréder in advance in writing on a case-by-case basis.

Supplier commits to comply with any Acceptance Criteria, Acceptance Plan and Correction Plans to be agreed upon between the Parties under
4. Intellectual Property

4.1 Transferred Rights

All Intellectual Property Rights and related know-how on the Deliverables shall be automatically, definitively and exclusively transferred and assigned by the Supplier to Schréder as from the date mentioned in the relevant Contract (which shall be, by default, the date of the delivery/communication of the Deliverables, unless any other date is mentioned). Any modification or enhancement/improvement of a Delivered made by the Supplier during or after the Mission, either requested by Schréder or proposed by the Supplier, shall be automatically part of the Rights.

The Rights shall be granted worldwide, for all types of exploitation listed below and for the entire duration of the period of protection of the Rights (including their possible extensions) and despite the possible termination (for whatever reason) or expiration of these Design Terms or of any Contract.

Insofar as necessary, these Design Terms and each relevant Contract shall be considered as an order contract (in the sense of Book XI « Intellectual Property » of the Belgian Code of Economic Law or of any replacing legislative act).

The Parties agree that the price for this transfer shall be completely and definitely included in the Charges as detailed in the Contract and that the Supplier shall have no right for additional payment or remuneration, on any basis or for any reason whatsoever.

4.2 Ownership - exploitation modes

As regards the exploitation modes of the Rights, the Supplier shall transfer to Schréder all rights of ownership related to and associated with the Deliverables or resulting directly or indirectly, partially or totally from the Mission, including any invention (patentable or not) resulting from the Mission. These rights of ownership shall cover all exclusive exploitation rights and modes, in whatsoever form and by whatsoever means, and notably: (a) The right to exploit the Deliverable (including making, importing, selling, using or disposing of any article/product in which the Deliverable is embedded); (b) The right of physical reproduction, which includes notably the right to make temporary or permanent reproduction on any media (on or off line) and in any form, including distribution right of the copies of the Deliverable; this includes reproduction on paper, CD, DVD, hard disk, server, memory sticks, advertising material, etc.; (c) The right of intellectual reproduction; (d) The right to transform and adapt the Deliverable, in any forms, notably in order to include the Deliverable in other works (eg. new versions) and/or to improve the work and/or to create derivative works based in whole or in part thereof; (e) The right of renting, leasing and distribution; (f) The right of communication to the public by all means, known or otherwise at the time of signature or issuance of the Order or the Contract, and through any system of communication, including networks (internet, any other kind of open networks, intranet, Sharepoint, wiki) and including any system enabling the public to access the concerned Deliverable from a place and at a time individually chosen by them; (g) The right of commercial exploitation (hereinafter referred to as the “Exploitation Modes”). The transfer shall also include the transfer of ownership of the plans, drawings, method, algorithm, and models related to the Deliverables.

4.3 Moral rights

The Supplier acknowledges and warrants under its entire liability that the moral rights of the Author shall not constitute an obstacle to the above mentioned use and Exploitation Modes of the Deliverables. In particular, the Supplier shall not exercise its moral rights and shall vouchsafe that the Author shall not do the same in consideration of any kind of modification or adaptation to the Deliverables which would be made in order to meet Schréder’s needs (or its customers needs), the mention of the Author(s) name(s) in relation with the exploitation of the Deliverables, the destruction of the Deliverables which would become outdated. Moreover, the Supplier authorizes and warrants under its entire liability that the Author shall authorize Schréder to make modifications to any of the Deliverables for technical reasons and to divulge, with no limitations, the creation or creations resulting from any of the Deliverables, Schréder commits itself not to make modifications to any of the Deliverables which are likely to infringe the Author’s and/or Supplier’s honor and/or reputation.

4.4 Registrations

Pursuant to this Article, the Supplier authorizes Schréder to take any measures to register any of the Deliverable(s) as a model, design or patent, to register it in a copyright register or to achieve any other action intended to protect it, without any responsibility from Schréder in case of lack of protection. The Supplier undertakes to sign, without delay and for no additional cost, any document necessary to the registration of any of the Deliverable(s) as a patent, design, trademark or copyright (including their extensions). The Supplier warrants that it (nor the Author) has not and shall not register(ed) and/or apply for any design, trademark, patent, copyright... based on any of the Deliverables. Would the Supplier not respect this paragraph, the Supplier shall immediately transfer any Intellectual Property Right it would have registered itself, if any, and damages will be due to Schréder, covering the registration fees and related costs, including transfer costs (if any), but also the consequences of not having been able to protect the Deliverable(s) by the appropriate Intellectual Property Right in specific countries, notwithstanding application of any penalty.

Pursuant to this Article, the Supplier shall transfer exclusively and irrevocably to Schréder the right of copyright on the Deliverable(s) governed by some legislation. As a result, Schréder shall be exclusively subrogated to the Supplier’s right to register the original copyright, if it deems useful.

4.5 Enforcement of the Rights

By virtue of these Design Terms and any Contract, Schréder shall be entitled to initiate and conduct any action, legal or not, for any claim whatsoever, against any third party as regards, related to and/or based on the Rights and Schréder shall be entitled to claim and recover any damages, compensation from any third party, without the Supplier consent.

Schréder shall be granted the right to mention/register itself either as an assignee or as an exclusive licensee of the Rights in any register or similar document, as it may be required in some territories to enable Schréder enforcing its rights.

4.6 Supplier or Third Party IPR

Where the performance of the Services, the use of the Services and/or the use of the Deliverables covered by a Contract require(s) to the use of IPR owned beforehand by Supplier or a Third Party, the Supplier shall clearly identify and notify to Schréder this Background Supplier IPR or Third Party IPR. Any Background IPR of Supplier or of any Third Party which would not be properly identified and notified but would be required to use the Deliverables shall be deemed to be provided by the Supplier for the entire lifespan of the Deliverables, at no additional cost for Schréder.

If owned beforehand by the Supplier, the Supplier shall grant Schréder a worldwide, royalty-free, non-exclusive, sub-licensable and irrevocable license for the entire duration of the Intellectual Property Rights to use the Supplier IPR as is required to use the Deliverables, unless otherwise stated in the relevant Contract.

If the IPR is owned by a Third-Party, the Supplier shall procure, from this Third Party to the benefit of Schréder, a worldwide, royalty-free, non-exclusive, sub-licensable and irrevocable license for the entire duration of the Intellectual Property Rights to use the Third-Party IPR as is required to use the Deliverables within the limits set forth in the Specific Agreement.

The Supplier shall recognize and respect the Background IPR of Schréder that would be required to the use or creation of the Deliverables. Such Background IPR of Schréder will be licensed to the Supplier to the extent necessary to create the Deliverables and for the duration of the Services only, without a right to sublicense it.

4.7 Source Code Materials

If the Deliverables contain source code materials, Supplier shall provide to Schréder the Deliverables together with the corresponding source code materials and (adequate) documentation and a Certificate of Originality.
5. Guarantee of the Rights

5.1 IP warranty

The Supplier guarantees Schréder that the Deliverable(s) shall be new, original and shall - where necessary - have individual character or inventive step. The Parties may agree in a Contract about the performance of IPR Competition Analysis, which would be annexed in such case to the Contract or any addendum thereto. In case of doubt of the Supplier about the novelty, individual character/inventive step or original character of a Deliverable, the Supplier undertakes to inform Schréder without delay in order for both Parties to adapt the Deliverable (if necessary) and eliminate the related risk. Without such agreement, the Supplier shall be responsible for performing an IPR Competition Analysis related to the Deliverable(s) and deliver it together with the Deliverables.

5.2 IP indemnification

The Supplier warrants that, at the delivery dates of the Deliverables, it shall be entitled to transfer the entirety of the Rights, including all Intellectual Property Rights, assigned pursuant Article 4. The Supplier guarantees to Schréder the peaceful and exclusive exercise of the Rights against any disturbance, claim or disposition whatsoever. The Supplier warrants in particular that the use of any of the Deliverables/Rights by Schréder shall not infringe upon any other third party’s rights including any Intellectual Property rights. Would it be the case, the Supplier shall defend and indemnify Schréder and any of its Affiliates for all losses, damages, costs, expenses and other liabilities resulting from any infringement claim, and shall take all steps necessary to defend Schréder against the infringement claim.

The Supplier warrants that the Rights shall legally and validly be assigned to it by the Author and that all legal requirements shall be complied with by the Supplier and the Author to make this prior assignment valid and effective. In this respect, Schréder may request the Supplier to enclose to each Contract or any addendum thereto a statement of creation and assignment signed by the Author and confirming that the Rights were legally and validly assigned to it by the Author, indicating the title and quality of the Author (employee/independent), in accordance with the laws applicable to the relation Supplier-Author and the relevant individual (employment/freelance...) contract between the Supplier and the Author.

In addition to the foregoing, in case of claim of a third party, the Supplier shall, at no expense to Schréder, modify the Deliverable(s) to avoid the infringement. As provided herein, the Supplier shall ensure the respect of this Article and shall be available to provide support to Schréder in its own defense from and against any infringements, claim, proceedings... that may arise in relation with the use of the Rights or any kind of exploitation of the Deliverable(s).

6. Confidentiality

By virtue of the Contracts, the Parties shall have access to information that is confidential to one another (Confidential Information). Where applicable, any non-disclosure agreement signed between the Buyer and the Supplier shall be deemed incorporated within these Design Terms. Where no non-disclosure agreement has been signed, the following provision shall apply:

Each Party shall – and undertakes their Affiliates shall - hold Confidential Information in confidence during the term of the Services or the Contract and for a period of ten (10) years thereafter, except for identified trade secrets which shall remain secret for an unlimited period (insofar they keep their quality of trade secrets as per law). Each Party agrees, unless required by law, not to make Confidential Information available in any form to any third party – except their respective Affiliates - or to use Confidential Information for any purpose other than the implementation of the Services or any assignment under a Contract. Each Party agrees to take all reasonable steps to ensure that Confidential Information is not disclosed or distributed by its employees or agents in violation of the terms of this Article.
Any expense (e.g., air travel, car/taxi travel, rail travel, restaurant, accommodations) shall be supported by appropriate expense reports, established in English language and shall be submitted to Schréder for prior approval. Non-approved expenses shall not be eligible for reimbursement. Schréder shall pay Supplier’s invoices within sixty (60) days of the invoice date, unless another payment term is specified in the Contract. Payment of invoices does in no event constitute acceptance of Services or Deliverable, which shall be subject to an Acceptance process as described in these Design Terms or in the Purchase Order.

8.2 Penalties
In some circumstances constituting a breach of these Design Terms or of the Contract, the Supplier shall forfeit a lump-sum penalty. The penalties must be further specified in the Contract(s) and are a pre-estimate of the loss or damage which Schréder or any Affiliate of Schréder Group is likely to suffer in the occurrence of the considered events. However, such penalties are without prejudice to the Schréder’s right to claim for additional damages in the event that the actual loss or damage suffered by Schréder or any Affiliate of Schréder Group exceeds the amount of the penalties set forth in the Contract. In case of multiple occurrences of the same breach giving rise to a penalty, this latter shall be due as many times as the concerned breach occurred.

9. Miscellaneous
a. These Design Terms and the relevant Contract constitute the entire agreement between the Parties with respect to the subject matter therein described, and supersede any prior or simultaneous communications, representations or agreements with respect hereto, whether oral or written.
b. Supplier shall provide adequate Documentation (blue print, functional and technical analyses, procedures, training material, certificate of originality, final report...) with regard to the Services and Deliverables to be delivered.
c. Insofar as it is not otherwise stipulated, neither these Design Terms nor any Contract may be modified or amended except in a writing signed by a duly authorized representative of each party. No other usage or custom shall be deemed to amend or modify these Design Terms nor any Contract.
d. Each Party shall comply with all personal data protection obligations applicable to it and shall not, by any act or omission, put the other Party in breach of any data protection obligation in the performance of the Services. Where applicable, Schréder and the Supplier shall sign a data processing agreement.
e. Neither Party shall be allowed to assign the benefit of a Contract without the prior written consent of the other Party. The Supplier hereby authorizes Schréder to assign the benefit of a Contract to any Affiliate of Schréder.
f. The Supplier shall not subcontract any of its obligations under any Contract without Schréder’s prior written consent. The Supplier shall remain fully responsible for all acts and omissions of its subcontractors, notwithstanding the agreement of Schréder to the concerned subcontracting.
g. No express or implied waiver by any of the Parties to these Design Terms or to any Contract of any breach of any term, condition or obligation of these Design Terms or to any Contract shall be construed as a waiver of any subsequent or continuing breach of that term, condition or obligation of or of any other term, condition or obligation of these Design Terms or to any Contract of the same or of a different nature. Any waiver, consent, or approval of any kind regarding any breach, violation, default, provision or condition of these Design Terms or to any Contract must be in writing and shall be effective only to the extent specifically set forth in such writing.
h. If any term or provision of these Design Terms or to any Contract is held to be invalid, illegal or unenforceable under applicable law the remaining provisions shall continue to be in full force and effect. The Parties undertake to replace the invalid provision or parts thereof by a new provision which will approximate as closely as possible the economic result intended by the Parties.
i. The Supplier acknowledges that it has been informed of, and agree to abide by, the Schréder Group’s commitments in human rights, ethics and environmental responsibility, as those commitments are set forth in the Schréder Suppliers Code of Conduct posted here on its website: www.schreder.com.
j. The present Design Terms and any Contract are governed by law where Schréder has its registered office. Any dispute concerning the interpretation or execution of these Design Terms or of any Contract shall fall under the exclusive jurisdiction of the courts of the city where Schréder has its registered office.

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