

## 1. General, Definitions.

### 1.1 *Application*

The use of the Services is subjected to these general terms and conditions (hereinafter: “**General Terms**”)

### 1.2 *DAF*

DAF Trucks N.V., based in Eindhoven, The Netherlands.

### 1.3 *DAF Device*

The device built in in the vehicle necessary to make use of the Services

### 1.4 *DAF Connect Portal*

The web based contact point where Users can log in to use Services. Via the linked DAF Connected web shop additional Services can be obtained.

### 1.5 *Services*

The Connected Truck Services as offered by DAF, including all features and functionalities, website, and user interfaces, as well as all content and software associated with these services. The Services may also provide recommendations and other information regarding the use of the vehicles where the Services are used for.

### 1.6 *PACCAR.*

PACCAR Inc., based in Bellevue, Washington, U.S.A.

### 1.7 *PACCAR Affiliates.*

Any legal entity in which PACCAR holds, directly or indirectly, at least 50% of the shares or voting rights. As well as the authorised DAF Dealers.

### 1.8 *User.*

Legal entity or natural person that makes use of the Services. Users can be divided in various categories, that depending on their role have access to various Services. The Account Owner (see “Account Owner” below) will be the responsible party to grant such access.

1.9 The rest of the definitions will be defined throughout the text of the General Terms

## 2. Entitlement to Services.

### 2.1 *Services*

Services consist out of:

#### BASIC SERVICES.

Services that DAF provides as part of the truck sale, for a fixed period, to DAF customers that purchase a factory new commercial vehicle of the DAF make.

The Basic Services are under constant development. Examples are track and trace functionality and fuel reporting. For the content of the Basic Services please contact your dealer, or visit the DAF Connect website.

#### OPTIONAL SERVICES

Various services that DAF offers against a service fee to Users that via the DAF Connected web shop have entered into a contract (“**the Contract**”). For the availability and content of the Optional Services please contact your dealer, or visit the DAF Connect website.

### 2.2 *Contract confirmation.*

The Contract will only be considered to be concluded at the time and to the extent to which DAF has assented to this Contract by means of a specified order confirmation or other similar (electronic) document containing all the material terms of the Contract.

### 2.3 *Acceptance of these General Terms.*

All User’s expressions of acceptance of the offer made by DAF to make use of the (Basic) Services

as well as User's offer to DAF to enter into a Contract will be deemed to include User's assent to the exclusive application of these General Terms.

2.4 *Battle of Forms.*

The general terms of User shall not apply to the Services. Any standard terms that will be added to or will deviate from these General Terms, will only apply when DAF unconditionally consented to the application of the relevant terms in writing. The mere fact DAF grants User access to the Services will, in isolation, not be deemed to be such an acceptance.

**3. Use of the Services.**

3.1 *Access to Services*

To use the Service access to Internet and an enabled DAF Device per vehicle is necessary. DAF grants Users access the Services on the basis of a limited, non-exclusive, non-transferable, license. Except for the foregoing limited license, no right, title or interest shall be transferred to User

3.2 *Basic Services*

Users are entitled to use the Basic Services for a fixed period of 3 (THREE) years after the delivery of the factory new vehicle of the DAF make to the User. After the initial term of use the Basic Services can be prolonged via the DAF Connect web shop.

3.3 *Optional Services.*

At the choice of User a Contract for the desired Optional Services for one or more DAF Devices can be entered under the terms and conditions established in the Contract.

User authorizes DAF to charge the agreed Service fee via the Payment Method and to that extent User must provide DAF with a current, valid, accepted method of payment, ("**Payment Method**").

Specific details regarding the Optional Services can be found by visiting the DAF Connect Info Page.

3.4 *Quality of Services.*

Although DAF will spare no efforts to deliver an optimum level of Services, the quality of the latter may be affected by a variety of factors, such as User's location, the bandwidth available through and/or speed of User's Internet connection. The minimum connection speed for good quality is 2 (TWO) Mbps however, DAF recommends a faster connection for improved quality. A download speed of at least 10 (TEN) Mbps per stream is recommended to receive optimum quality. User is responsible for all Internet access charges. Please refer to Internet provider for information on possible Internet data usage charges.

3.5 *Availability of Services. No Indirect Damages Maximum Amount*

DAF strives for an uptime of the Services of 24 hours a day, 7 days a week (24/7), but occasional downtime may occur. Planned downtime will preferably be scheduled outside European continental working hours. Without prejudice to the foregoing Parties agree that the User will in no event be entitled to claim any compensation either under the Contract or under any other title for indirect or consequential damages such as loss of profit, decreased turnover or property damage or any compensation above the amount of the fee for the Services paid for by the User in the current calendar year. The parties furthermore agree that interruption of Services due to unplanned downtime of less than one working day (07:00-19:00 hours) CET shall not be eligible for any compensation at all.

3.6 *No abuse of Services*

User agrees not to: circumvent, remove, alter, deactivate, degrade or thwart any of the protections in the Services; use any robot, spider, scraper or other automated means to access the Service; decompile, reverse engineer or disassemble any software or other products or processes accessible through the Services; insert any code or product or manipulate the content of the Service in any way; or, use any data mining, data gathering or extraction method. In addition, User agrees not to upload, post, e-mail or otherwise send or transmit any material designed to interrupt, destroy or limit the functionality of any computer software or hardware or telecommunications equipment associated with the Service, including any software viruses or any other computer code,

files or programs. DAF may terminate or restrict the use of the Services and/or even bar the SIM-Card in the DAF Device if these General Terms are violated or if User is engaged in illegal or fraudulent use of the Services.

3.7 *Software updates*

Connected Truck software is developed by, or for, DAF and is designed to perform Services through DAF Devices. User acknowledges that the use of the Services may require third party software that is subject to third party licenses. User agrees to automatically receive updated versions of the DAF and related third-party software.

3.8 *Vehicle sold*

If a vehicle equipped with a DAF Device is sold, User is obliged to inform the DAF dealer about the end of ownership, in order to enable the subsequent owner to connect the vehicle in question to his account. DAF does not provide refunds or credits for any partial-month Contract periods.

To deactivate a DAF Device, follow the instructions on the DAF Connect Info Page or contact your dealer.

3.9 *Opt out*

User may at any time decide to suspend the data transmission from the DAF Device to the DAF Connect Portal. An opt out request can be made via the DAF dealer. DAF does not provide refunds or credits for any partial-month Contract periods.

3.10 *Replacement of Services; termination of Services*

a. Technical Developments e.g. in the field of telecommunications may necessitate replacement of the Services with another Service with equivalent technical performance and functionality. DAF is in such case entitled to cease and replace the Services, provided that DAF notifies the User thereof in due time.

b. DAF reserves the right to terminate and cease to provide Services in the event such services cannot be provided any longer on commercially reasonable terms, always provided DAF notifies the User thereof in due time

In case the situations indicated under 3.10.a. and 3.10.b here above occur, the relevant Contract will be considered terminated when DAF actually ceases to provide the Services.

## 4 **Free Trials**

4.1. *Free trial optional Services.*

The use of Optional Services may start with a free trial. The free trial period of optional Services lasts for one month, or as otherwise specified during sign-up and is intended to allow Users to try the Optional Services. Users will be notified during sign-up whether they are eligible for a free trial.

4.2. *Start of billing.*

DAF will bill applicable service fee in accordance with the agreed Payment Method at the end of the free trial period unless User cancels the Optional Services prior to the end of the free trial period. To view the conditions for a Contract, the applicable services fee and end date of the free trial period, visit the *DAF Connect webshop* and click the "Billing details" link on the relevant page of the DAF Connect web shop. User will not receive a notice from DAF that paid optional Services have begun.

## 5. **Billing**

5.1. *Billing Cycle.*

The service fee for the Optional Services will be billed per DAF Device/ or as the case maybe, per Service to User's Payment Method on the calendar day corresponding to the commencement of the Contract. In some cases the timing of the billing may change, for example in case the Payment Method has not successfully settled or if the Contract began on a day not contained in a given month. Visit the DAF Connect web shop.

5.2. *Payment Methods.*

If a payment is not successfully settled, due to expiration, insufficient funds, or otherwise, DAF may suspend your access to the Services until DAF has obtained a valid Payment Method. User authorizes DAF to continue billing the Payment Method, as it may be updated and User remains responsible for any uncollected amounts. This may result in a change to the payment billing dates. For certain Payment Methods, the issuer of your Payment Method may charge a foreign transaction fee or other charges. Check with the Payment Method service provider for details.

5.3. *Termination.*

User can terminate the Contract in accordance with the stipulations contained therein. In such a case the User will continue to have access to the Optional Services through the end of the valid Contract period. DAF does not provide refunds or credits for any partial-month Contract periods. To terminate, go to the DAF Connect Portal and follow the instructions for termination. If you terminate the Contract for one or more DAF Devices your access to Optional Services for the relevant DAF Devices will automatically close at the end of the current billing period. To see when the access will close, click "Billing details" on the DAF Connect portal.

5.4. *Changes to the Price and Services.*

DAF may change the Services and the price related thereto from time to time; however, any price changes or changes to our Services will apply to User no earlier than 30 days following DAF's email notice to Account Owner.

## 6 **Technical,- Equipment - or Network Problems**

6.1 *Internet connection*

User acknowledges and agrees that the Services are based on a connection to the Internet as well as communication over telecom systems operated by third party telecom operators. ("**the Operator**")

6.2 *Operational issues*

DAF is not liable for damages resulting from operational issues related to telecom systems such as interrupted or corrupted data transfer, even if such issues are caused by measures carried out by DAF or the Operator.

6.3 *No separate warranty for the DAF device*

The DAF Device forms part of a vehicle purchased from DAF and shall be covered by the warranty (as set out in DAF Trucks General Conditions of Delivery and Warranty) for such a vehicle. DAF does not warrant any DAF Device under the terms of the Services and/or the General Terms.

6.4 If a fault arises in the Services, DAF shall rectify such fault within a reasonable time from notification by User. Since the Services are based on a connection to the Internet as well as communication over the telecom systems operated by Operators, interruptions, delays or the like in respect of the connection or the Internet do not constitute a fault under this Agreement, and thus will result in no liability for DAF Connect.

## 7 **Passwords & Account Access**

7.1. *Account Owner*

The User on whose request DAF created the DAF Connected Truck account and whose Payment Method is charged (the "**Account Owner**") will become the administrator of the account and has in that capacity full access and control over the DAF Connected Truck account. The Account Owner can under his explicit responsibility grant rights to dependent Users, Dependent Users can grant on their turn endow others with the same rights he received from the Account Owner.

To maintain control over the account and to prevent anyone from accessing the account (which would include information on the Services history on the DAF Devices linked to the account), the Account Owner should not reveal the password nor the Payment Method details associated with the account to anyone. Account Owner is responsible for:

- for User ID's, passwords and other access information not being disclosed to

- unauthorised persons;
- updating and maintaining the accuracy of the information Account Owner provides to DAF relating to his account.;
- unauthorised access to connected networks or computer resources via the Portals, whether belonging to DAF or other parties

## 7.2 *Caution when providing information*

Users should be mindful of any communication requesting to submit credit card or other account information. Providing information in response to these types of communications can result in identity theft. DAF can terminate an account or place an account on hold in order to protect, User, DAF or DAF's partners from identity theft or other fraudulent activity.

## 8. **Force Majeure**

### 8.1 *Impediments.*

A party is not liable for a failure to perform any of this obligations in so far as he proves:

- a. that the failure was due to an impediment beyond his control, and
- b. that he could not reasonably be expected to have taken into account the impediment and its effects upon his ability to perform at the time of the conclusion of the Contract, and
- c. that he could not reasonably have avoided or overcome it or its effects.

### 8.2 *Examples.*

Impediments beyond the control of DAF as referred to in article 8.1, will be deemed to include the following (this enumeration not being exhaustive):

- a. war, whether declared or not, civil war, riots and revolutions, civil commotion;
- b. natural disasters such as violent storms, cyclones, earth quakes, tidal waves, floods, destruction by lightning, thunderbolts, nuclear, chemical or biological contamination or sonic boom, exceptionally bad weather conditions;
- c. explosions, fires, destruction of equipment, and any kind of installations;
- d. boycotts, strikes, lock-outs of all kinds, go-slows, occupation of factories and premises and work stoppages involving the workforce of the party seeking relief or of any other party;
- e. breach of contract of suppliers;
- f. shortages on the market of required materials or labour;
- g. failure of a utility service, transport- , and/or (digital) electronic network;
- i. acts of authority, whether lawful or unlawful, lack of authorisations, of licenses of entry or residence permit, or of approvals necessary for the performance of the Contract and to be issued by a public authority of any kind whatsoever in the country of the party seeking relief or in a country relevant to the execution of the Contract;
- j. government measures (including those of foreign governments) such as bans on transports, imports, exports or production, non-compliance with any law or governmental order, rule, regulation or direction, or similar situations.

In the event one of the above listed impediments will occur with one of DAF's suppliers or subcontractors and this is the reason why DAF cannot perform its obligations under the Contract with User, this will be deemed to be an impediment as referred to in article 8.1.a.

### 8.3 *Temporary relief.*

A ground of relief under this clause relieves the party falling to perform from liability in damages, from penalties and other contractual sanctions, except from the duty to pay interest on money owing, as long as and to the extent that the ground subsists.

### 8.4 *Termination based on force majeure.*

If the grounds of relief subsist for more than 7 working days, either party shall be entitled to terminate the Contract with notice.

## 9. **Data Protection**

### 9.1 *Collecting, Disclosure and Use of Data.*

User agrees that DAF may collect and process, by computer or otherwise, any information, including personal data relating to User or its employees as collected by the DAF Devices (jointly:

“**Information**”) for the purpose of conclusion or performance of the Contract or other agreements between DAF and the User on the one hand and for the purpose of product and services development and improvement, warranty, maintenance, and quality assurance purposes on the other hand. User also agrees that DAF may, as far as is permitted by mandatory provisions of law, disclose this Information to PACCAR Affiliates, for the purpose of:

- reviewing the Contract and/or
- administering and servicing the Contract and/or

to PACCAR Affiliates and authorized DAF dealers, for the purpose of:

- product development and improvement, warranty, maintenance and quality assurance

DAF may furthermore disclose Information to any person or entity to whom DAF assigns its rights under such assignment and any of DAF’s agents or advisors for the purpose of advising on or assisting in such assignment.

### 9.2 *DAF acting as Data Processor*

Account Owner acknowledges and agrees that as part of the Services, DAF - acting as Data Processor -, shall process Information on behalf of the Account Owner, which Account Owner shall act as Data Controller.

If the Information includes any information relating to an identified or identifiable individual (“**Personal Data**”), DAF agrees in line with the relevant Contract:

- to act upon the instruction of the Account Owner – which instruction is hereby given – to process Personal Data necessary to provide the Services;
- not to modify, amend or alter the contents of such Personal Data other than as strictly necessary for the purposes of providing the Services;
- not to disclose or permit the disclosure of any such Personal Data to any third party unless specifically authorised in writing by Account Owner;
- to take and allow verification of technical and organisational measures to safeguard against unauthorised or unlawful processing of such Personal Data and against accidental loss or destruction of, or damage to, such Personal Data as would be appropriate to a Data Controller (as such term is defined in the Data Protection Legislation);
- to deal promptly and appropriately with inquiries of Account Owner related to the processing of Personal Data under the Services;
- to promptly inform Account Owner of any complaints, requests or enquiries received from individuals, including but not limited to requests to correct, delete or block Personal Data. DAF shall not respond to the individuals directly except where specifically instructed by Account Owner, in which case DAF shall respond within a reasonable period of time, and in any case within three (3) weeks after receipt of the respective complaint, request or enquiry. DAF shall in any event cooperate with Account Owner to address and resolve any complaints, requests or enquiries from Individuals. DAF shall establish and maintain procedures to enable compliance with those complaints, requests or enquiries from individuals; to promptly inform Account Owner if:
  - o DAF receives an inquiry, a subpoena or a request for inspection or audit from a competent public authority relating to the processing, Personal Data under the Services except where DAF is otherwise prohibited by law from making such disclosure;
  - o DAF intends to disclose Personal Data to any competent public authority; or
  - o DAF detects or reasonably suspects that a Data Security Breach has occurred;
- In the event of an unauthorised acquisition, access, use or disclosure of Personal Data (“**Data Security Breach**”), DAF shall promptly take adequate remedial measures. Furthermore, DAF shall promptly provide Account Owner with all relevant information as requested by Account Owner regarding the Data Security Breach. DAF shall fully cooperate with Account Owner to develop and execute a response plan to address the Data Security Breach. DAF shall at the request of Account Owner cooperate in adequately informing the individuals involved.

### 9.3 *Mailing lists.*

DAF may also, as far as is permitted by mandatory provisions of law, use Information to inform

User about products and services of DAF, which DAF believes may be of interest to User. If User does not want to receive such information, User may notify DAF of this. After receipt of such notice, DAF will stop using the Information for such marketing purposes.

9.4 *Other purposes.*

To the extent required by mandatory provisions of law, DAF will inform User if DAF collects or processes Information for any other purpose than the purposes set out in this article.

9.5 **IMPORTANT NOTICE**

**AS THE SERVICES ENABLE THE USER TO MONITOR THE VEHICLES EQUIPPED WITH A DAF DEVICE ON 24/7 BASIS AND BY CONSEQUENCE THE BEHAVIOUR OF THE DRIVERS OF SUCH VEHICLES, THE SERVICES CAN BE USED AS - AND MOST JURISDICTIONS WILL THEREFORE CONSIDER THE SERVICES TO BE – A PERSONNEL MONITORING SYSTEM. OPERATING PERSONNEL MONITORING SYSTEM IS SUBJECT TO SPECIFIC TERMS AND CONDITIONS IN VARIOUS JURISDICTIONS. IT IS THE RESPONSIBILITY OF THE USER TO COMPLY WITH THESE LOCAL SPECIFIC LEGAL TERMS AND CONDITIONS. DAF DOES NOT ACCEPT ANY LIABILITY WITH REGARDS TO SUCH (POTENTIAL) USE OR QUALIFICATION OF THE SERVICES. USER SHALL HOLD DAF HARMLESS FROM AND SAFEGUARD DAF AGAINST ANY CLAIMS OF USER AND/OR THIRD PARTIES ORIGINATING FROM (I) USER BREACHING ANY LEGISLATION OR REGULATION RELATED TO OPERATING A PERSONNEL MONITORING SYSTEM . AND/OR (II) USER BEING NOT COMPLIANT WITH ANY OBLIGATION TO BE ASSUMED BY CONTROLLERS DUE TO ANY RELEVANT PRIVACY LEGISLATION OR REGULATION.**

10. **Miscellaneous**

10.1 *Modification.*

No modification of the Contract is valid unless agreed in writing.

10.2 *Whole Agreement.*

These General Terms and as the case may be the Contract supersede and invalidate all other commitments, representations and warranties relating to the subject matter thereof which may have been made by the parties either orally or in writing prior to the date of the Contract, and which shall become null and void from the date of conclusion of the Contract. User warrants DAF that it has not relied on any such commitment, representation or warranty in entering into the Contract.

10.3 *Conflicting Clauses.*

In case of conflict between these General Terms and the Contract, the Contract shall prevail.

10.4 *Partial nullity.*

If any provision of these General Terms and/or the Contract is adjudged by any court or government agency to be invalid, void or unenforceable, such provision will be deemed deleted from the contract and the remaining provisions thereof will continue to be in full force and effect. In such a case, DAF and User shall make every effort to make a valid and enforceable contract in lieu of the ineffective provision, which will ensure the same or as much as possible approximate effect as the one which has become ineffective.

10.5 *Assignment.*

Neither the rights nor the obligations of User under the Contract may be assigned, transferred or otherwise disposed of, in whole or part, without the prior written consent of DAF. DAF will be entitled to assign all or part of its rights and obligations under Contract. Any references to DAF will then include this assignee.

10.6 *B2B transaction.*

User acknowledges and agrees that User has entered into the Contract in the ordinary course of his businesses. User represents and warrants to DAF that the products ordered under the Contract are not bought for personal, family or household use.

10.7 *Translations.*

The English language version of these General Terms will be the authentic and binding version. Any translations of these General Terms made available will be free translations provided without any representation from DAF that the translation accurately reflects the authentic version.

10.8 *Surviving provisions.*

Articles 8, 11 and 12 shall survive any termination of this Agreement.

10.9 *Third-Party Applications.*

User may encounter third party applications (including, without limitation, websites, widgets, software, or other software utilities) ("**Applications**") that interact with the Services. Use of these Applications may be subject to third party terms of use or license terms.

10.10 *Customer Support.*

To find more information about the Services and their features or if assistance is needed, please visit the DAF Connect Info Page, via the DAF Connect portal. In certain instances, Customer Service may best be able to assist you by using a remote access support tool through which DAF has full access to User's computer. If User does not want DAF to have this access, User should not consent to support through the remote access tool, and DAF will assist you through other means. In the event of any conflict between these General Terms and information provided by Customer Support or other portions of website indicated here above, these General Terms will control.

10.11 *Electronic Communications.*

DAF will send information relating to your account (e.g. payment authorizations, invoices, changes in password or Payment Method, confirmation messages, notices) in electronic form only, e.g. via the e-portal or via emails to the email address provided during registration. The content of these communications will be evidenced by means of the data stored on DAF's systems.

**11. Governing Law**

11.1 Any questions relating to the Services, which are not expressly or implicitly settled by the provisions contained in these General Terms or as the Case may be in the Contract, shall be governed exclusively by the laws of The Netherlands, without giving effect to its conflict of laws rule.

**12. Dispute resolution**

12.1 *Dutch courts.*

The Dutch courts of law shall have jurisdiction to hear and determine any suit, action, or proceedings and settle any dispute which may arise out of or in connection with the Contract if User's country of domicile is a EU Member State in which EC Council Regulation No 44/2001 of 22 December 2000 (or successive regulation) applies or the relevant decision will need to be executed in such a Member State. Parties agree that any such legal proceedings shall in first instance be submitted to the competent court in Amsterdam, The Netherlands.

12.2 *Arbitration.*

In the event the Dutch courts shall not have jurisdiction in accordance with article 12.1, all disputes arising in connection with the Contract, or further contracts resulting therefrom, shall be finally settled in accordance with the Arbitration Rules of the Netherlands Arbitration Institute. The place of arbitration shall be Amsterdam, The Netherlands. The arbitral procedure shall be conducted in the English language.

12.3 *Other courts.*

Nothing in this article 12 shall limit the right of DAF to take proceedings against the User in any civil law court of competent jurisdiction, whether concurrently or not.

**13. Changes to General Terms.**

13.1 DAF may, from time to time, change these General Terms. DAF will notify User at least 30 days before these new General Terms apply.

Last Updated: October 2016



# ANNEX 1

## Data Security

### Security Policy Overview

IT systems and information are vital assets which are essential to DAF business. DAF has established an IT Security Framework, associated policies, and mandatory standards to protect the confidentiality, availability, and integrity of these assets.

The following provides an overview of those policies, procedures and processes that comprise the technical, physical and organizational measures employed by DAF to protect BCI Data from misuse or accidental, unlawful or unauthorized destruction, loss, alteration, disclosure, acquisition or access.

#### *DAF IT Security Risk & Compliance Policy Framework*

This document establishes the framework of IT security, risk, and compliance management policies and guidelines issued by DAF IT department. Each DAF business unit is responsible for integrating the controls based on appropriate risk assessments, and evolving industry standards.

#### *DAF Information Security Policy*

This document describes objectives, responsibilities and mandatory rules for information security. This policy is derived from the DAF General Business Principles and is fully endorsed by the DAF Board of Management. This policy, along with the IT Security Controls document (see below), comprises the mandatory DAF Information Security Policies.

#### *DAF IT Security Controls*

The DAF IT Security Controls document is an extension of the DAF Information Security Policy and describes the control objectives, and key controls, including policies, processes, and procedures, organizational structures and software and hardware functions. This document is a statement of responsibilities of both DAF management and staff in order to establish and maintain an organization-wide secure IT environment. The following are examples of data security controls, further detailed in the Security Controls document:

- Data Classification
- Asset Accountability
- Encryption
- Training
- Physical Security Controls
- Security Risk Assessment
- System Planning and Acceptance
- Segregation of Duties
- Software Patching and Updates
- Backup and Restore
- Network Management Controls, including Audit Logging, Remote User Access, etc.
- Media Handling and Security, including Procedures for Secure Destruction of Data, etc.
- Exchange of Information and Software (between company systems)
- Access Controls
- Authentication
- Third-party Access Controls
- Mobile Computing

- Electronic Messaging
- Information Security Incident Management
- Business Continuity Management

*DAF IT Security Standards, Guidelines and Baselines:*

Additional documents set forth further direction for implementation of specific, required controls, including:

- User Account and Password Management
- Internal Firewall Policy
- IT Security Disk Encryption Policy
- IT Security Risk Assessment

### **Information Classification and Access Control**

DAF regards information required for the pursuance of its business as a corporate asset, which must be protected against loss and infringements of its integrity and confidentiality. Each organizational unit is required by policy to assess risks to identified information assets and periodically check the level of security through security reviews. Information is classified into one of three categories, and each classification requires appropriate levels of security controls (e.g., encryption of data classified as secret or confidential). DAF Security Policy further requires that security measures for processing and storage of information be proportionate to classification level, and each user is to be uniquely identifiable, via personal user identification. Access controls exist to restrict access to systems and data to management authorized individuals for valid business purposes only. DAF Staff and Third Parties processing DAF information are accountable for the protection of that information and the applicable assets, per DAF Security Policies.

### **System Integrity and Availability**

Each (DAF) organization is responsible for formal acceptance of the continuity of its business in the event of degradation or failure of the information infrastructure. Back-up copies of critical business information and software must be taken regularly and tested to ensure recovery. Contingency procedures must be tested at least annually, and workability of the contingency plan must be formally verified.

### **Activity Logging**

DAF IT Security Controls require appropriate logging and monitoring to enable recording of IT security-relevant actions. IT Security features, service levels and management requirements of all network services must be identified and included in any network services agreement, whether these services are provided in-house or outsourced. Also, formal procedures are required for authorizing access to systems or applications, and all user access rights and privileges must be reviewed at regular intervals, at least quarterly.

### **Security Incidents**

All employees, contractors, and third party users of information systems and services are required to note and report any observed or suspected security weaknesses in systems or services, through management channels, to DAF CSIRT (Computer Security Incident Response Team) for investigation and follow-up, as appropriate. IT Security incidents that involve personal data or that may have privacy implications must also be reported to the applicable Privacy Officer.

### **Physical Security**

DAF IT Security Policy requires DAF management to identify those areas requiring specific level of physical security, and access to those areas is provided only to authorized persons for authorized purposes. DAF secured areas employ various physical security safeguards, including closed circuit television monitoring,

use of security badges (identity controlled access) and security guards stationed at entry and exit points. Visitors may only be provided access where authorized and are to be supervised at all times.

**Compliance**

DAF has a standing Security Risk & Compliance organization (SRC) that regularly monitors the implemented security measures and implementation of new security requirements. Compliance with DAF IT Security Policies is accomplished through annual training, periodic reviews of local and organization-wide policies and procedures, and audits.