ADDENDUM
ON PERSONAL DATA PROCESSING
to the "ATHENA XAI" TERMS OF SERVICE

This Addendum on Personal Data Processing (hereinafter: **"Addendum"**) represents an addition to the **"Athena XAI" Terms of Service** and governs the processing of personal data carried out by **Syncit Group d.o.o. Beograd-Novi Beograd**, a company incorporated and registered in the Republic of Serbia, whose registered seat is at: Bulevar Mihaila Pupina 115b, 11070 Novi Beograd, Republic of Serbia, Registry number: 21408409, Tax identification number: 110972662 (hereinafter: **"Processor"**) on behalf of a company, association, organization or other entity using "Athena XAI" services and designated as "Client" in "Athena XAI" Terms of Service and in a respective written order for services (hereinafter **"Controller"**), under the following terms and conditions (hereinafter individually: "Contracting Party", together: "Contracting Parties").

Preamble:

● "Athena XAI" Terms of Service together with a signed written order for services (hereinafter: "**Service Order**") represent a contract governing a business relationship that exists between the Contracting Parties and according to which the Processor provides certain services to the Controller, which requires the processing of certain personal data by the Processor on behalf of the Controller (hereinafter: **"Basic Agreement"**). This Addendum prescribes certain mutually binding provisions with the purpose of governing such processing of personal data in the manner set forth herein.
● All the expressions used in the text of this Addendum (unless stipulated otherwise in this Addendum) shall have the same meaning they have under the laws and regulations governing the protection of personal data and which are applicable to, the processing of personal data carried out in accordance with this Addendum, taking into account the domicile/residence of the data subject, the seat(s) of the Controller and/or the Processor, the place of the activities within which personal data is processed, etc. (hereinafter: "**Applicable Regulations**").

Article 1

Subject matter

1.1 This Addendum governs the processing of personal data of Data Subjects (as defined below) carried out by the Processor on behalf of the Controller on documented instructions from the Controller, in connection with the rendering of services which, under the Basic Agreement, the Processor provides to the Controller, as well as the legal relationship of the Contracting Parties in connection with the processing of personal data entrusted to the Processor by the Controller.

1.2 The Processor shall process those personal data that are necessary for the fulfillment of the obligations assumed by the Basic Agreement, the processing of which the Processor is obliged to under the Basic Agreement or applicable law.

1.3 This Addendum serves as an addition to the Basic Agreement and represents its integral part. In case of any discrepancies between the provisions of this Addendum and the provisions of the Basic Agreement regarding the processing of personal data, the provisions of this Addendum shall prevail and govern.

Article 2

Types of Personal Data and Categories of Data Subjects

2.1 The persons whose personal data are processed by the Processor on behalf of the Controller in accordance with this Addendum are natural persons - Controller's customers; visitors and/or users of the Controller's website and/or web-shop and/or mobile application in the development and/or maintenance of which the Processor takes part or has taken part, or related to which the Processors renders certain IT services to the Controller, or on which a software owned by the Processor is used (hereinafter: **"Data Subjects"**).

2.2 Processor shall, on behalf of Controller and on documented instructions from the Controller, process personal data listed in **Exhibit A** (https://a-x.ai/exhibit-a.pdf) which is an integral part of this Addendum (hereinafter: **"Personal Data"**).

2.3 Processor may process all or only some of the Personal Data listed in Exhibit A, depending on the documented instructions from the Controller and the nature of services it renders to the Controller under the Basic Agreement.

Article 3

Purposes of Processing

3.1 The Processor shall perform the processing of Personal Data under this Addendum for the following purposes:

   1) performance of its contractual obligations under the Basic Agreement;
   2) other purposes pursuant to the Applicable Regulations and any other applicable law.

3.2 If the Processor determines the purposes and means of the processing of Personal Data, the Processor shall be considered to be a controller in respect of that processing.

Article 4

Rights and obligations of the Controller

4.1 The Controller is obliged to process Personal Data in compliance with any Applicable Regulations. Controller guarantees to the Processor and is liable for having a suitable and valid legal basis in terms of the Applicable Regulations for processing of Personal Data.

4.2 If the Controller needs help or assistance from the Processor in order to obtain an appropriate legal basis for the processing of Personal Data, the Processor shall provide appropriate services in the domain of its expertise in agreement with and according to instructions from the Controller.

4.3 Where this is not already regulated in the Basic Agreement, the Controller shall provide the Processor with documented instructions regarding the processing of Personal Data and shall ensure that such instructions are clear, precise, and in whole compliant with any applicable law.

Article 5

Rights and Obligations of the Processor

5.1 Processor shall process Personal Data only on documented instructions from the Controller, including with regard to transfers of personal data to a third country or an international organization, unless required to do so by any applicable law. In such a case, the Processor shall inform the Controller of that legal requirement before processing, unless that law prohibits such information on important grounds of public interest.

5.2 In the event that, in the Processor's opinion, a documented instruction from the Controller regarding the processing of Personal Data infringes the Applicable Regulations or any applicable law governing the protection of personal data and/or the provisions of this Addendum, the Processor shall warn the Controller by email immediately, but no later than within 15 (fifteen) days from the day of receipt of such documented instruction. In the event of any doubt regarding its actions, the Processor shall request the opinion of the Controller in this regard. Upon receipt of an answer to the warning, i.e. a written opinion from the Controller, the Processor shall act further on them, unless if, at the discretion of the Processor, it is obvious that further processing on such documented instruction from the Controller would represent a breach of any applicable law, in which case the Processor shall have the right not to act on such documented instruction.

5.3 Processor shall ensure that any person authorized by the Processor to perform processing operations on Personal Data has committed itself to confidentiality or is under an appropriate statutory obligation of confidentiality. The need for such persons having access to Personal data shall be revised from time to time, and if determined that the need for any such particular person having access to such data has ceased, such person shall be denied access to such data.

5.4 Processor shall, taking into account the nature of the processing of Personal data and the information available, assist Controller in fulfilling its obligations of:

1) carrying out an assessment of the impact of the envisaged processing operations on the protection of personal data of Data Subjects, if a type of processing, in particular using new technologies, and taking into account the nature, scope, context, and purposes of the processing, is likely to result in a high risk to the rights and freedoms of such persons, in terms of the Applicable Regulations;
2) consulting any competent supervisory authority, where a data protection impact assessment carried out in compliance with the Applicable Regulations indicates that the envisaged processing operations would result in a high risk in the absence of measures taken to mitigate the risk, prior to processing, in terms of the Applicable Regulations.

5.5 After the expiry/termination of this Addendum and the end of the processing operations agreed, Processor shall, at the choice of Controller, delete or return to the Controller all Personal Data and delete any existing copies thereof within 60 (sixty days) from the day of termination/expiry of this Addendum, unless any applicable law requires storage of such data.

5.6 Processor shall, without undue delay after becoming aware, inform Controller in writing in the event of:

1) any request from a competent authority for disclosure of Personal Data, unless the Processor is prohibited from informing the Controller under any applicable law;
2) existence of any doubt or determination of any breach of the provisions of this Addendum relating to the security of Personal Data, which leads to unauthorized disclosure or access to such data; 3) any request for access to Personal Data received directly from Data Subject or a third party.

5.7 Processor is entitled to disclose any Personal Data at the request of a court or other state authority in the exercise of their powers under the applicable law, provided that it promptly informs the Controller of the fact and that it consults the Controller, to the extent possible, on the scope and form of such disclosure.

5.8 Obligations of Processor under this Addendum shall not diminish its obligations proscribed by the Applicable Regulations or any other applicable law.

5.9 Controller is aware and agrees that Processor while processing personal data in accordance with this Addendum, creates new and upgrades the existing "Smart Software Machine Learning Models", which represent advanced software algorithms that originate and develop by personal data processing, and which serve for creating statistical and other reports (e.g. "Zero Search Results Model", "Search Relevance Model", Synonym Recommendation Model" etc.), and which themselves are not personal data, nor contain any personal data, and which the Processor uses for the purpose of rendering services under the Basic Agreement (hereinafter: "Models"). The Controller is aware and acknowledges that the said Models represent intellectual property owned exclusively by the Processor, that the Processor uses them in its regular business, and that the Controller shall not have nor shall make any claim to them. The controller is also aware and accepts that the Processor may use any anonymized and statistical data that results from the rendering of the services under the Basic Agreement for its own statistical and analytical purposes.

Article 6

Personal Data Protection Security Measures

6.1 Considering the state of the art, the costs of implementation, and the nature, scope, context, and purposes of processing Personal Data, as well as the risk of varying likelihood and severity for the rights and freedoms of Data Subjects, the Processor shall implement appropriate technical, personnel and organizational measures adequate for protection of Personal Data, in order to ensure a level of security appropriate to the risk (hereinafter: "**Measures**"). In assessing the appropriate level of security account shall be taken in particular of the risks that are presented by the processing of Personal Data, in particular from accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to Personal Data transmitted, stored, or otherwise processed.

6.2 Processor shall carry out regular assessment and evaluation of the effectiveness of the Measures, as well as to improve them if it is determined that there is a need thereto.

6.3 Measures that are implemented or may be implemented for the protection of Personal Data are defined in **Exhibit B** (https://a-x.ai/exhibit-b.pdf) which is an integral part of this Addendum.

Article 7

Personal Data breach

7.1 Processor shall notify Controller of any breach of Personal Data, likely to result in a risk to the rights and freedoms of Data Subjects (hereinafter: "**Breach**"), as well as to assist the Controller in fulfilling its obligations under the Applicable Regulations. In this regard, the Processor shall without undue delay, but no later than within 48 hours starting from the moment it became aware of the Breach, inform the Controller of the fact and provide it with all the necessary information on the Breach available. Such a notification the Processor shall send to the Controller by email and it shall contain at least the following information:

1) description of the nature of the Breach including (where possible) the categories and approximate number of Data Subjects concerned and the categories and approximate number of personal data concerned;
2) the name and contact details of the data protection officer or other contact point where more information about the Breach can be obtained;
3) description of the likely consequences of the Breach;
4) description of the measures taken or proposed to be taken by the Processor to address the Breach, including (where appropriate) measures to mitigate its possible adverse effects.

7.2 In case of a Breach, the Processor shall upon Controller's request provide all the necessary information, requested documentation, and required assistance in order to eliminate or mitigate the possible consequences of the Breach.

7.3 In case of a Breach, the Controller may temporarily cease the transfer of Personal Data to the Processor.

Article 8

Subprocessors

8.1 Processor may entrust the processing of Personal Data to another processor (hereinafter: "**Subprocessor**") only if authorized to do so by the Controller. The Controller hereby grants general authorization to the Processor to engage Subprocessors in accordance with the terms of the Applicable Regulations.

8.2 Processor shall inform Controller of any intended selection of a Subprocessor, i.e. of any intended replacement of an existing Subprocessor with another one, thereby giving the Controller the opportunity to object to such changes. If the Controller does not object to the intended selection of a Subprocessor, i.e. of any intended replacement of an existing Subprocessor with another one within 8 (eight) days from the date of receipt of such a notification, it shall be deemed that the Controller agreed with the selection, i.e. replacement of a Subprocessor. In the event that the Controller does not agree with the intended selection of a Subprocessor, i.e. with any intended replacement of an existing Subprocessor, the Processor shall have the right to unilaterally terminate this Addendum, as well as the Basic Agreement, with immediate effect.

8.3 Where the Processor engages a Subprocessor for carrying out specific processing activities on Personal Data on behalf of the Controller, the Processor shall ensure that the same data protection obligations as set out in this Addendum shall apply to the Subprocessor as well by way of a separate contract or other legal act concluded i.e. adopted in written form (including electronic form), providing in the relationship between the Processor and the Subprocessor sufficient guarantees to implement appropriate technical, organizational and personnel measures in such a manner that the processing will meet the requirements of the Applicable Regulations, any other applicable law and the provisions of this Addendum.

8.4 Processor shall ensure that in the contract or other legal act concluded with a Subprocessor a provision is stipulated that enables Controller, in the event that the Processor ceases to exist for any reason, to request from the Subprocessor to destroy or return to the Controller Personal Data, the processing of which is the subject of such contract or other legal act.

8.5 Upon the Controller's request, the Processor shall submit a copy of a contract or other legal act concluded with a Subprocessor. In such a case, the Processor has the right to exclude (minimize) from such copy any data not concerning the processing of Personal Data.

8.6 Where a Subprocessor fails to fulfill its data protection obligations regarding the Personal Data, the Processor shall remain fully liable to the Controller for the performance of the Subprocessor's obligations.

8.7 Controller hereby authorizes Processor to entrust the processing of Personal Data to Subprocessors listed in **Exhibit C** (https://a-x.ai/exhibit-c.pdf) which is an integral part of this Addendum.

Article 9

Rights of Data Subjects

9.1 In the event that a Data Subject submits to the Processor a request for exercising one of its rights under the Applicable Regulations, for acting on which the Controller is responsible, the Processor is not authorized to act on such a request, but shall immediately inform the Controller of the fact and shall forward such a request to the Controller, and shall inform the person who submitted the request that its request has been forwarded to the Controller.

9.2 Taking into account the nature of the processing, the Processor shall assist the Controller by, *inter alia*, by implementing appropriate technical and organizational measures, insofar as this is possible, for the fulfillment of the Controller's obligations in a manner the Controller understands the fulfillment of such obligations, to respond to requests to exercise Data Subject rights

Article 10

Transfers of Personal Data to third countries or international organizations

10.1 Processor is authorized to transfer Personal Data to a third country, a territory, or one or more specified sectors within that third country, or an international organization only if instructed or approved by the Controller.

10.2 Controller hereby agrees that Processor may transfer Personal Data to the countries, territories, or one or more specified sectors within those countries, or to international organizations listed in **Exhibit D** (https://a-x.ai/exhibit-d.pdf) which is an integral part of this Addendum.

10.3 In the event that processing of Personal Data in accordance with this Addendum is subject to the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) as one of the Applicable Regulations, the transfer of personal data to third countries or international organizations shall be governed by the **Standard Contractual Clauses for the Transfer of Personal Data to Third Countries** (https://a-x.ai/eu-standard-contractual-clauses-and-appendix.pdf) adopted by the European Commission (if applicable), which represent an integral part of this Addendum.

Article 11

Confidentiality

11.1 Processor is prohibited from disclosing Personal Data, received from Controller to any third party, unless it is necessary for the performance of its legal and/or contractual obligation, provided that the third party to whom such data is disclosed is aware of the confidential nature of such data, and has agreed to keep the information confidential in accordance with this Addendum.

11.2 Processor shall ensure that only those persons who need access to Personal Data for the purpose of fulfilling Processor's obligations to Controller under the Basic Agreement, have access to such data.

Article 12

Control of the Processor's work

12.1 Processor shall make available to the Controller all information necessary to demonstrate compliance with its obligations laid down in this Addendum, as well as information that allows for and contributes to audits conducted by the Controller or another auditor mandated by the Controller.

12.2 Controller shall inform Processor in writing (which includes e-mail) of the found omissions and shall give Processor a period of at least 30 (thirty) days to remedy such omissions.

12.3 Until the Processor has remedied the found omissions within the stated period, the Controller may cease the transfer of Personal Data to the Processor.

Article 13

Term and termination of the Addendum

13.1 This Addendum shall be in force and effect for the entire duration of the Basic Agreement. Simultaneously with the termination/expiry of the Basic Agreement, this Addendum shall terminate/expire as well, except in respect of those provisions of this Addendum whose nature and meaning are such that they would have to remain in force and effect for a certain additional time in order to have their full meaning and fulfill their purpose.

Article 14

Communication and notification

14.1 All the communication between Contracting Parties relating to the rights and obligations under this Addendum shall be conducted in writing, which includes e-mail.

14.2 Communication via e-mail shall be conducted through mutually exchanged e-mail addresses, or using e-mail addresses through which Contracting Parties normally communicate on a regular basis.

Article 15

Final Provisions

15.1 If any provision of this Addendum shall be held illegal, void, or unenforceable, it shall not in any way affect the validity of the remaining provisions, which shall remain in full force and effect.

15.2 Any annexes, exhibits as well as any attachments to this Addendum (including any subsequent ones) shall be deemed an integral part of the Addendum.

15.3 This Addendum shall enter into force on the day of entry into force of the Basic Agreement.

15.4 All amendments, as well as any new version of this Addendum shall be published on a-x.ai within "Athena XAI" Terms of Service and shall indicate the date of publication of such new version. The amendments, i.e. a new version of the Addendum shall become effective on the 31st day after the date of their publication ("Addendum Effective Date").

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