

Conditions for the Sale and Surrender of Hardware and/or Software

I. General, Scope of Application

- These General Conditions of Business ("GCs") apply to all business relations of Signalion GmbH ("Signalion") concerning the sale, the lending, the letting or other surrender of the use and benefit of hard and/or software including so-called embedded software ("Goods") to contract partners, who are not consumers ("Customers"). The GCs particularly also apply to Goods produced by Signalion itself.
- The GCs further apply to consulting and other support services by Signalion in connection with the surrender of the use and benefit of the Goods to the Customer ("Support") insofar as Signalion and the Customer do not enter into a legally independent agreement concerning the Support. The application of the GCs to Support does not give rise to any obligation on the part of Signalion to provide Support.
- The GCs apply exclusively. Any deviating, conflicting or supplementary general conditions of business of the Customer shall only apply insofar as Signalion has expressly consented thereto. This also applies if Signalion provides goods or services to the Customer without reservation while being aware of the Customer's general conditions of business.
- Any legally significant notices or declarations that have to be given by the Customer to Signalion after conclusion of the contract (e.g. the setting of deadlines, warning notices, notices of defects, a declaration of rescission or price reduction) are required to be in writing in order to be effective.
- Individual agreements shall take precedence over particulars stated by Signalion in confirmations of orders. Particulars stated in confirmations of orders take precedence over these GCs.

II. Contract Conclusion

- Offers by Signalion are subject to confirmation and are not binding.
- Orders placed by the Customer shall be deemed to be binding offers to enter into a contract. Unless otherwise expressly stated in the order, Signalion can accept such offers within three calendar weeks of receipt by Signalion.

III. Delivery Time, Untimely Delivery

- Delivery times shall be agreed individually or shall be stated by Signalion upon acceptance of the order.
- If Signalion cannot meet delivery times for reasons, for which Signalion is not responsible, the Customer shall be informed thereof without undue delay and shall be notified of a new delivery time. If the goods/services are also not available within the new delivery time, Signalion shall be entitled to rescind the contract, either in whole or in part; Signalion shall without undue delay reimburse the Customer any consideration already paid by the Customer. Signalion's statutory rights of rescission or termination shall remain unaffected thereby as shall the statutory provisions on the exclusion of the obligation to perform.
- Signalion shall only be in default of delivery if the Customer has previously given Signalion a warning notice.
- If delivery is delayed for reasons for which the Customer is responsible, Signalion can demand compensation for the damage thereby incurred.

IV. Place of Performance, Dispatch of the Goods

- The place of performance for goods/services provided by Signalion is Dresden.
- Unless expressly otherwise requested by the Customer, Signalion shall dispatch the Goods to the Customer's branch set out in the order. The statutory provisions on sales by delivery to a destination other than the place of performance (*Versendungskauf*) shall apply.

V. Prices, Costs, Payment Terms

- Unless otherwise agreed in the individual case, Signalion's respectively current prices as applicable at the time the contract is concluded shall apply and, more particularly, ex warehouse and plus the statutory value added tax.

- Ex warehouse transportation costs incurred by dispatching the Goods, the costs of any transportation insurance desired by the Customer, as well as taxes, customs, charges and other official duties shall be borne by the Customer.
- Signalion's purchase price claims shall be due 14 days following delivery and issue of the invoice. Upon expiry of the period allowed for payment the Customer shall be in default (*Verzug*).
- In the case of contracts where the value of the delivery is EUR 3,000.00 or more, Signalion shall be entitled to demand a deposit of up to 30% of the price. The deposit shall be due within 14 days following issue of the invoice.
- The Customer shall have rights of set-off or rights of retention only insofar as the Customer's claim has become final and unappealable or is undisputed.

VI. Reservation of Title

- Signalion reserves the title to sold Goods until all current and future debts under the purchase contract and any ongoing business relationship have been paid in full (*Eigentumsvorbehalt*).
- The Goods which are subject to the reservation of title may not be pledged to third parties, or transferred as security, before the secured debt has been paid in full. The Customer shall notify Signalion in writing and without undue delay if any third parties attach Goods belonging to Signalion.

VII. Defects in Quality and Defects in Title

- Unless otherwise provided below, the Customer's rights in the event of any defect in quality (*Sachmangel*) or defect in title (*Rechtsmangel*) shall be governed by the statutory provisions. The special statutory provisions applicable when Goods are delivered to a consumer remain unaffected.
- The basis for any liability on the part of Signalion for defects shall be the agreement reached on the condition of the Goods. The "product descriptions" designated as such, which were provided to the Customer by Signalion prior to the Customer's order or which were incorporated into the contract in the same way as these GCs, shall be deemed to be the agreement on the condition of the Goods. If no condition has been agreed, the statutory provisions shall apply.
- Signalion shall not be liable for any statements by third parties (e.g. advertising statements).
- The Customer's duty to inspect and report any complaints shall be as provided by statute. The Customer must report any obvious defects (including delivery of the wrong Goods or short deliveries) in writing within two weeks of delivery. If the purchaser fails to report a defect in accordance with this sub-clause 4, Signalion's liability for the unreported defect or defect reported late shall be excluded.
- If the Customer alters the Goods himself or has them altered by third parties, the claims due to defects shall not apply unless the Customer proves that any errors or faults that have occurred are not attributable to said alterations and the error or fault analysis and correction is not impaired by the alteration. Programming of the software shall also be deemed to be an alteration to the Goods.
- Claims of the Customer for damages or reimbursement of expenses incurred in vain shall exist in accordance with Clause IX below but are otherwise excluded.

VIII. Rights of Third Parties

- If a third party asserts that the Goods have infringed rights, the Customer shall inform Signalion thereof without undue delay.
- If any rights of third parties are infringed by the Goods, Signalion shall be entitled to remedy the defect particularly by obtaining rights of use in favour of the Customer, by altering the Goods or by exchanging the Goods for non-infringing Goods. In all other respects Clause VII of these GCs shall apply.

IX. Other Liability

- Unless otherwise provided in these GCs, in the event of any breach of contractual or non-contractual obligations, Signalion shall be liable in accordance with the statutory provisions.

2. Signalion shall be liable for damages - irrespective of the legal ground - in cases of intent and gross negligence.
3. In addition Signalion shall also be liable in cases of ordinary negligence for loss arising out of any injury to life, body or health as well as for loss arising out of the breach of a material contractual duty (obligation, the fulfilment of which is required to allow proper performance of the contract and on performance of which the Customer usually relies, and may rely). In the event that a material contractual duty is breached, Signalion's liability shall, however, be limited to damages for the foreseeable loss that typically occurs. The above limitation of liability shall not apply if Signalion has fraudulently concealed a defect or has given a guarantee regarding the condition of the Goods. The Customer's rights under the German Product Liability Act (*Produkthaftungsgesetz*) shall remain unaffected.
4. In the event of any loss of data caused by Signalion, Signalion shall be liable in accordance with the above Clauses solely for the costs of duplicating the data from the back-up copies that are to be made by the Customer regularly and only for the restoration of such data as would have been lost even if the data had been properly backed-up.
5. The Customer can rescind or terminate because of a breach of duty, which does not consist of a defect, only if Signalion is responsible for the breach of duty. In all other cases the statutory prerequisites and legal consequences shall apply.

X. Limitation of Actions

1. In derogation from Paragraph 438(1) no. 3 German Civil Code (*BGB*) the general limitation period for claims arising out of defects in quality and defects in title, shall, insofar as the claim concerned is not a claim for damages, be one year as of delivery of the Goods.
2. Contractual claims for damages that are based on defects in quality and defects in title shall be time-barred in accordance with the statutory provisions governing the sale of goods. Said provisions also apply for non-contractual claims for damages provided that the application of the regular statutory limitation period does not give rise to a shorter limitation period.
3. The provisions on the limitation of actions under the German Product Liability Act (*Produkthaftungsgesetz*) shall remain unaffected as shall the remainder of the statutory provisions.

XI. Special Provisions for Lending (*Leihe*) and Renting (*Miete*)

1. If Signalion surrenders the Goods to the Customer for use free of charge (lending (*Leihe*)), the Customer's claims for defects and Signalion's liability for damages shall be as provided by the statutory provisions governing lending ("*Leihe*").
2. If Signalion surrenders the Goods to the Customer for valuable consideration (renting (*Miete*)) any strict liability on the part of Signalion for defects that exist *ab initio* (*anfängliche Mängel*) shall be excluded; Signalion shall be liable for damages for such defects only in accordance with the above Clause IX. In all other cases the statutory provisions shall apply.
3. Sub-clauses 1 and 2 shall apply irrespective of whether - at the time when the contract is concluded - the lending or renting are intended to be in perpetuity or whether the parties consider the lending or renting to be temporary and in particular assume that the Customer will purchase the Goods after a definite or indefinite period of time.
4. If Signalion has initially lent or rented out the Goods and the parties later agree that the Customer is to acquire title to the Goods, the provisions of this Clause XI shall no longer apply with effect from the time when the agreement was reached. A purchase contract shall be deemed to have been concluded and the Goods shall be deemed to have been delivered and handed over at the latest when said agreement was reached.

XII. Rights of Use for Software; Source Codes, Software Maintenance

1. If software has (also) been surrendered to the Customer, the Customer shall receive a non-exclusive right to use said software in perpetuity and without any limitation in terms of geography. There shall be no right to sub-license or to surrender the software to third parties temporarily, in particular there shall be no right to rent out or lend said software. The statutory exhaustion of the right to distribute a copy of the software introduced to the market by Signalion shall remain unaffected.
2. The Customer may make one back-up copy of the software. The Customer may furthermore observe, examine and test the functioning

of the software in order to ascertain the ideas and principles underlying a program element, provided that this is done by actions to load, display, run, transfer or save the program, to which the Customer is entitled.

3. Signalion shall not be obliged to surrender the source code to the Customer. If Signalion nevertheless surrenders the source code to the Customer, Signalion shall be liable for this only in accordance with the above Clause IX. The Customer shall be entitled to reassemble the machine-readable object code into the source code (decompilation) only within the parameters of the statutory provisions.
4. There is no obligation to maintain software surrendered, in particular there is no obligation to update it ("update") or to improve the operability beyond that agreed upon conclusion of the contract or, if no agreement was made, beyond the usual condition ("upgrade"). If Signalion nevertheless carries out such updates or upgrades upon request by the Customer, this must be remunerated separately; also in this regard Signalion shall only be liable pursuant to the above Clause IX. It shall not constitute maintenance, updates or upgrades within this meaning insofar as Signalion has to accept responsibility for the operability of the software within the scope of the liability for defects in quality and defects in title (*Sach- und Rechtsmängel*).

XIII. Confidentiality

1. The Customer shall be obliged to keep confidential information of Signalion secret.
2. Confidential information is all documents, papers, data storage media or other information containing business and trade secrets of Signalion. This particularly includes the source code and source file of software supplied including the documentation such as papers and documents, which are expressly designated as secret or confidential.
3. The Customer is particularly not entitled to transfer, to sell, to disclose or divulge confidential information or copies thereof, whether in whole or in part, to third parties. The Customer may also not permit his employees, representatives or third parties to undertake such actions.
4. The duty of secrecy does not apply to information which, at the time when it was provided by Signalion, was already in the Customer's possession, is known to the public or which was lawfully obtained by third parties. The Customer shall bear the burden of proving that an exception applies.

XIV. Packaging, Electronic Waste

1. Signalion does not take back transportation and any other packaging under the Packaging Directive (*Verpackungsverordnung*); said packaging becomes the property of the Customer.
2. Insofar as Signalion is a "manufacturer" (*Hersteller*) for the purposes of the German Act on the Bringing into Circulation, Taking Back and the Environmentally-Friendly Disposal of Electrical and Electronic Equipment (*ElektroG*), Signalion is not obliged to create a possibility of returning and disposing of old equipment. The corresponding obligations affect the Customer.

XV. Contract Language, Choice of Law, Arbitration Clause

1. The contract language is German. The German version of these GCs shall be authoritative for their interpretation, even if Signalion has only provided the Customer with an English version of the GCs.
2. Contracts within the scope of application of these GCs shall be governed solely by the law of the Federal Republic of Germany to the exclusion of all international and supranational contractual legal systems, in particular the UN Convention on Contracts for the International Sale of Goods.
3. Signalion and the Customer shall first try to resolve any differences of opinion arising out of or on the basis of the contract, including these GCs, themselves by means of direct, informal negotiations. If Signalion and the Customer cannot agree, all disputes arising out of, on the basis of, or about the legal validity of a contract within the scope of application of these GCs, shall be finally decided in accordance with the Rules of Arbitration of the International Chamber of Commerce (ICC) by an arbitrator appointed in accordance with said Rules, which decision shall be binding on both parties; the jurisdiction of any other court is ousted. The language for correspondence and language of negotiations shall be English. The venue shall be Dresden. Irrespective of the arbitral award, the parties shall each bear one-half of the costs of the arbitration court, and they shall each bear their own costs in full.